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IMPACT OF EMOTIONAL INTELLIGENCE ON RISK BEHAVIOUR WITH MEDIATING EFFECT OF POSITIVE AND NEGATIVE AFFECT

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Abstract
Emotional intelligence and risk taking behaviour are considered as significant factors through which people engage in organizations and in daily life. This dissertation formulates the linkage between emotional intelligence, positive affect, negative affect and risk taking behavior. The underlying principle of this study was to develop a sense of relationship between emotional intelligence, positive affect, negative affect, and the conduct of risk taking behavior amongst telecom companies providing the call center services in Pakistan. Afterwards mediating affect of positive and negative affect was checked in the proposed emotional intelligence-risk behavior relationship. Current study was conducted in three big cities of Pakistan (Islamabad, Lahore and Rawalpindi). The technique of convenience sampling was used to collect the data through questionnaires from call center agents. The research design was cross-sectional, and total of 202 finalized and usable responses were used as sample size. In time one 300 questionnaires were used as sample size, and similarly 300 questionnaires were distributed in second time for data collection. Correlation, regression, and descriptive statistics were used to analyze the data. All hypotheses were accepted and it was proved that positive and negative affect mediate the emotional intelligence to risk behavior relationship. Moreover, current research highlights the areas where future research can be done in different context by involving several other constructs with risk taking behavior.

Keywords
emotional intelligence, positive affect, negative affect, risk taking behavior
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"Knowing others and knowing oneself, in one hundred battles is no danger. Not knowing the other and knowing oneself, one victory for one loss. Not knowing the other and not knowing oneself, in every battle is certain defeat."

Sun Tzu, The Art of War (page. 01)
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1 INTRODUCTION

1.1 Background and Research Gap

In social and organizational psychology, Emotional Intelligence (EI) is considered as an emerging concept in the context of affective revolution (Barsade & Gibson 2007), which is considered an essential predictor of organizational outcomes and gaining popularity in almost all the fields. The founders of the term Peter Salovey and John Mayer (1990) defined emotional intelligence (EI), as the capability to deal with relationships and feelings. Furthermore, the founders of the term put forward a four-factor model of emotional intelligence that included emotional perception, emotional elucidation, emotional understanding and management of emotions.

We can say that importance of emotions in life are two folds. First, emotions can affect learning processes as it has the ability to stumble upon how we process information. Second, in order to get success, emotional intelligences stresses upon the management of relationships and feelings in a positive way. The term emotional intelligence can be taken as the expanded version of the theory of multiple intelligence in which he defines intrapersonal and interpersonal intelligence as the dealing criteria to self and others respectively (Gardner, 1999). Emotional Intelligence refers to an individual’s capability to deal efficiently with variety of emotions that is generally recognized as an important human attribute.

Emotional intelligence (EI) is the study of the emotions from their arousal to the decision taken during any particular affective state. Damasio in 1994 presented the importance of emotions and affect in decision making. Damasio stated that thought is developed generally from images. Learning of life time leads these symbolic pictures to befall “marked” by creating a link between positive and negative feelings and bodily situations or certain realities.
which may in turn effect their reaction of being risk averse or risk taker. Prior to make any decision, people tend to think about the probable, consequential feeling they are going to have as the outcome after they make the decision. Kahneman & Frederick (2002) explained affect as two way theory of thinking processes which involves information and knowing procedures that play a dynamic role in identified deriviations. Slovic et al. (2004), described affect as the particular class of ‘“goodness” or “badness”. Basically there are two approaches recognized by Slovic et al. (2004); firstly experience as a feeling state which can be with or without consciousness and secondly establishing an optimistic or adverse quality of stimulus.

The importance of the affect is well known by researchers who use decision and regret theories to justify the fact that feelings cannot be directly measured as emotions infer from available choices. Similarly, Miller, Schwart and Ritov (1997) stated that choice between risky options can be described as the maximization of expected emotional experience. To explain, people choose the risky options for which they expected to feel better. Therefore the significance of emotional intelligence concerning its possible protective role against negative affect and positive affect in case of risk taking and risk aversion decision is an emerging phenomenon.

Affect can have an adaptive utility, closely bounded to risk taking behavior. Individuals may therefore show variations in behavior over different situations. Individual demonstrate variations in behaviors according to different situations and timings. That is why there are different preferences for risk, for instance, the varying demographics such as age, marital status, gender, and occupation (Brumiley & Curley, 1992, p12). Specifically to this study, it is stated that while maintaining the quality of service sector, changes in the state of affect may cause bias in risky behavior. Research proposes that employees’ showing of emotions can influence customers’ emotional states and satisfaction (Hennig et al., 2006). Furthermore Hennig added that when people have a clear awareness of who they are and who they are becoming, by strengthening the ability to response to everything that happens people can build a rational decision. Risk in practical work life situations is generally taken differently as it appears in decision theory. While taking any risky decision, this theory really assists as a
protective element against adverse results for those people who have faced significant adverse life events because decision theory highlights the comparison of possible outcomes within an alternative, and also plays a major role in case of positive affect (Hennig et al., 2006).

When individuals face decisional situations they anticipate often how they feel about expected possible outcomes and use their emotions to guide choice. Choice can be predicted from emotions. Loomes (1982); Sugden (1986) and Bell (1982;1985) proposed regret theory and disappointment theory independently which showed that choices reflect the value of outcome but also showed its value relative to easily imagined potential counterfactual outcomes. In both theories emotions inferred from observed choice, the feelings are never directly measured. They argued that an individual reacts as if they are experiencing disappointment and regrets, but important is that what they really experience. Behavioral decision making theories help us to understand this phenomenon because this theory is twofold, on one side decision theory explains optimal decision making and on other side it describes how people take decisions in real life.

The present study was intended to fulfill the following gaps, which were identified after doing extensive literature review to the concept of emotional intelligence. These gaps are as follows:

1. The Positive Affect as mediator between the relationship of Emotional Intelligence and Risk Behaviour.
2. The Negative Affect as mediator between the relationship of Emotional Intelligence and Risk Behaviour.

These gaps are found on the basis of the following points. The concept of Emotional Intelligence is found to be an emerging area of interest as stated by Mayer, Salovey and Caruso (2004), Mayer and Salovey (1997) and Goleman (1995, 1998; see appendix 1). But the Emotional Intelligence studies conducted in services context are limited as Davies, Stankov and Roberts (1998) and Deeter-Schmelz and Sojka (2003) stated. This gap is surprising in the literature.
Although EI has been clearly known as a construct and a process (Cherniss, 2010; Joseph & Newman, 2010), its overly-positive gesture is still considered doubtful in accordance to scientific norms of research (Antonakis, 2010). River et al. (2012) concluded that there is an immense call for investigation to explore the causal relationship of emotional intelligence and risk taking behavior specifically in adults. Furthermore, the need to check intervening mechanisms and their effectiveness that could influence risky behaviors is also necessary. There are hardly any studies which have used cross-sectional data in determining the impact of these variables. The targeted organizations of current study were services based and for the purpose of more accuracy I used cross-sectional approach to gather the data. According to Carter (2006) cross-sectional data provides more explanatory value which offers more realistic understanding of causality, why and how things happen, and how aspects of cultural and social processes interact to produce outcomes (Thomson, Henderson, & Holland 2003).

Though these relationships are well established in western context but what is lacking in the research is evidence from non-western context and how and to what extent emotional intelligence influences risky behaviour. In many of the studies job satisfaction have been checked in relationship to emotional intelligence. As far as I have found, there is no study which examines the impact of emotional intelligence on risk behavior of individual decision making with mediating role of positive & negative affect in telecom sector.

1.2 Problem Definition in Pakistani Context

There are numerous societal, social and economical happenings going on every day within Pakistan and around the globe. People show enormous reactions to those events at national level and at the individual level. Pakistan suffers from a number of social, political, and economic problems individually. These prevailing problems have drastically leaded to unemployment that has shaken the confidence level of the youth. Despite of their high education and qualification people tend to seek lower level jobs. Even people with good jobs have insecurities about their job due to the country’s economic condition. All these factors stand for a study to be conducted on emotional intelligence and its impact on decision making behaviour, which can further be productive to gain human efficiency and to meet
organizational goals. Salovey and Mayer (1990) have been identified as the foremost examiners of emotional intelligence. They explained emotional intelligence as “The subset 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 actions” (1990, p. 189). The above mentioned definition clearly explains that the rulings of emotions act as the primary source to have impact on individuals. This effect can be seen quite evidently in Pakistani context where people get suffered from economic, social and emotional instability. Few researchers stated that people who have lower intelligence are mostly involved in unsociable behavior (Trinidad, Chou, Unger, and Johnson, 2005). Highlighting the importance of emotional intelligence in daily life Bar-On stated that, “People who are emotionally and socially intelligent are able to understand and express themselves, to understand and relate well to others, and to successfully cope with demands of daily life” (2000, p. 2).

1.3 Sample/Respondents

Communication play central role in human’s life. Communication has become the want and need of the society since its existence. Today telecommunication is the lifeblood of the business sector. In every sector of business, telecommunication plays an unavoidable role and agents play a face role to client’s image as they represent the customers. Mostly youngsters are working in call centers. Brown, Cron, and Slocum (1997) stated that youngsters or teenagers have a superior capacity to control and administer their emotions and so they are much competent to take care of them in daily routine. Furthermore, they explained that facilitating best psychological correction of emotions make strong psychological forces that can strongly affect the behavior and performance of individual; therefore I have taken telecom sector of Pakistan as a sample for this dissertation.

Given the importance of emotional intelligence, it is critical to understand the impact of emotional intelligence on individuals risky behaviour in organizations particularly in the telecom sector. The current research sought out the answer to situations where people have to make decisions about risky choices where affective state influences their way of situational
dealings.

1.4 Significance of the Study

The results of this study fill the gap by proposing impact of emotional intelligence on risky behaviour with mediating role of positive and negative affect in this relationship. This study also explores how and why emotional intelligence is related to risk behaviour (i.e. risk taking and risk aversion). Apart from this, this present study also provides evidence from non-western context which ensures/tests external validation of this relationship.

The results of this study are highly useful to train the employees for the challenges they face, while they interact with customers and how they manage their own emotions in order to maintain the quality of services which ultimately affects the productivity of an organization. Call centres around the globe have been known for varying turnaround and to provide the best of services (Cox, 1999; Nel & De Villiers, 2004; Queck, 1999; Williams, 2000). The nature of call center's job is highly sensitive, because the emotions of agents directly affect their own performance which ultimately determines the level of productivity of a company.

This study helps to highlight the importance of EI in service industry in a position where they have to make certain decisions. Moreover, it suggests the way out of effective training of employees. Cross-sectional data design has been used to do the analysis of current study. By using the organizational context of Pakistan this study aims to confirm emotional intelligence and risk behaviour relationship in a non-western context (Pakistan). This will definitely help to maintain the quality of services provided by agents of contact centers. According to my knowledge there is no recent study conducted which highlights the importance of relationship of these variables in service industry.

1.5 Objectives of the Study

Objectives of the study are
To investigate and understand the relationship between employee’s emotional intelligence and risky behaviour in organization. (Relationship between independent and dependent variable respectively)

To investigate the role of emotional intelligence in relation to positive affect and negative affect. (Relationship between independent and mediating variable respectively)

To investigate the mediating role of positive and negative affect in the relationship between emotional intelligence and risky behaviour. (Relationship between mediating variable, independent and dependent variable respectively)

In the light of the results and findings of current study, the results will provide implications for practicing managers.

1.6 Research Questions

Based on the discussion above the research questions in the present study are formulated as follows:

- How does emotional intelligence of employees relate to risk behaviour?
  a: risk taking behaviour.
  b: risk aversion behaviour.
- Does emotional intelligence affect positive affectivity and negative affectivity?
- Does positive affectivity and negative affectivity affect risk behaviour?
- Does positive and negative affect mediate the relationship between emotional intelligence and risk behaviour?
2 LITERATURE REVIEW

2.1 Emotional intelligence

Over the last two decades many studies have been conducted on Emotional intelligence (EI) and the researchers found it to be an important topic at work places (Roberts, Zeidner, and Matthews 2001). Though the concept of emotional intelligence has been studied enormously, it is still new and interesting to some organizational researchers.

Thorndike worked on it in early 1920s and stated social intelligence as “the ability to understand others and to act or behave wisely in relation to others which is an important component of intelligence” (p. 228). David Wechsler (1940), emphasized that in order to get successful, emotional part of intelligence should be taken into consideration. Furthermore, Abraham Maslow (1950) explained power of emotions and described how any individual can construct emotional power. Howard Gardner contributed to the previous literature tremendously. He published a book in 1975 named as The Shattered Mind that gave rise to the idea of multiple intelligences for the very first time. Later on The mind's frames were published by Gardner, in 1983, where he put forward the theoretical bases for multiple intelligences. Gardner proposed that “Interpersonal and intrapersonal intelligences comprise an individual’s social intelligence” (p. 239).

Law, Wong and Song (2004) quoted in their research that the founders of the term emotional intelligence have defined the term as first as the skill to deal with their emotions and feelings. They explained the term as a kind of social intelligence where an individual can take care of their own and other’s emotions and feelings so that they can become skillful to differentiate amongst others, to be able to reflect on their own actions and to utilize knowledge. After the publishing of the Goleman’s book related to emotional intelligence (Emotional Intelligence: why it can matter more than IQ in 1995) the term emotional intelligence became a popular area of research interest. Emotional intelligence by that time was and referred to the capability to make good judgment, understanding, importance, value and after that successfully related it
to the power, insight of emotions and feelings as a basis of one’s energy, knowledge, trust, information, creativity, beliefs and influences. Due to different grounds like the distinction among researchers, the prevailing definitions revolve around the keywords such as personality traits, skill, capability and synthetic prototypes (Petrides and Furnham, 2000). Similarly Baron (2000) defined emotional intelligence as a viewpoint of skills, unknown abilities and sufficiency which has an impact on a person’s ability to be successful and overcome pressure, stress and ecological stress. Furthermore, emotional intelligence is defined as the assessment, control and identification of rational emotions and feelings (Mayer and Salovey, 2004).

As explained above, emotional intelligence is one of the abilities of any individual to be familiar with their own and others moods, emotions and ability to relate this consciousness to make life simpler for own self and for others (Berman, 2008). In addition to previous literature emotional intelligence was categorized by intrinsic and extrinsic factors such as (self awareness, feeling of empowerment) and (empathy, networking, association) respectively. Researchers and scholars have observed in their studies that even more than our cognitive intelligences or IQ, emotional consciousness and skill have the grip on feelings or emotions that will decide achievement and contentment through all phases of existence, even together with ancestors units. For instance, Simon (1957) has declared that, scholars, researchers and practitioners comparably argued that good decision-making was understood to arise under merely the mainly rational situation. In support of the previous argument, Damasio (1994) argued that, “a significant part of the rationalist perception is to attain the surpassed outcome, feelings should be consumed away.” But according to John Gottman (2009), from the last few decades or more, our daily lives have been compensated a lot with the marvelous exposition of emotions. Interestingly, Snarey and Vaillant, (1985) proposed that the key ability and qualities desired to be successful in career are due to emotional intelligences rather than I.Q or cognitive intelligences. A study in the neural or mental processing of making the decision exposes that an aggregation of neural systems devoted to roles, way of thinking and decision making (mostly decisions in individual own and social arenas) is the similar collection of systems occupied by emotion, moods and feelings (Bechara & Damasio, 2000). Likewise, Mayer, Caruso and Salovey (2000c, p.105), stated that "the utilization of the term Emotional Intelligence is putting light on the idea of intelligence that is: procedures, acquire and get profit
commencing individual’ emotions, thus emotional intelligence is a mixture of psychological and cognitive abilities, mental skills, or capacities”.

In the literature of sound and profound decision making, it is elaborated that mental and cognitive areas of organizational behavior is putting a lot of concern in emotional studies (Schwarz 2000, Forgas & George 2001). This explains that in our daily life the perfect decision-makers are those who are acting with a cool head or cool mind in any situation. That is, decisions should be made on the basis of rationality and cognitive processes. Numerous researchers have tested particular emotions while identifying conflicts such as anxiety, stress and fear (Verbeke & Bagozzi 2000), joyfulness and excitement (Chitturi, Raghunathan, and Mahajan 2008), thankfulness and appreciation (Palmatier et al., 2009), anger, dishearten and frustration (Wagner, Hennig-Thurau, and Rudolph 2009), and disgrace and guiltiness (Agarwal and Duhachek 2010), all of which shows the worth of emotional intelligence with regards to employees’ threat of risk.

Furthermore, research in a services sector proposes that employees’ expression of emotions can influence customers’ emotional states and satisfaction (Hennig et al., 2006). Hence, Freedman et al. (2001), defined emotional intelligence as the process of identifying, realizing and interpreting the way people behave and conceive. Thus it figures out individual relationships with other people’s perception and understanding about their own selves. This way it lets us to understand what, why, when and how to learn; empower us to priortize and shape our daily actions. Current studies, both qualitative & quantitative, have analyzed the advantages, risks and weaknesses of emotional expression at the workplace (Fineman, 2000; Grandey, 2000; Holman, 2003; Sutton, 1999 & Totterdell ). Thus, this shows the significant impact of emotional intelligence upon a person’s behavior in terms of decision making in different situations.

2.2 Mayer and Salovey model of Emotional Intelligence: Perception, Interpretation, Understanding and Management

Since last two decades, theorists have made different models of emotional intelligence and two
major approaches have slightly emerged: \textit{trait and ability} in emotional intelligence. Mayer et al. (1990) developed the ability model. It is named as ability model because there are few psychological processes that are required in developing emotional intelligence and individual’s abilities. This development moves ahead towards the highest stage with growth, experience, development and enrichment (Downey et al., 2008). In comparison, Bar-On (1998) suggested a trait approach to describe and evaluate emotional quotient (EQ). In 2008, Mayer and Salovey established a four skills model that consisted mainly of \textit{emotional perception, emotional interpretation, emotional understanding and emotional management}. Below are these four components discussed in detail:

1. **Emotional Perception**

Mayer and Salovey (2008) explained this component as the capability to sense and portray emotions in the form of voices, facial expressions, gestures, glances and cultural reflections that can recognize individual’s feelings and emotions (exactly perceive of own and other’s emotions. In simple words, this dimension or division relates to a person’s capability to recognize their own and other people emotions and to express them precisely as they are.

2. **Emotional Interpretation**

Emotional interpretation is the skill and ability to control emotions to make different cognitive behavior easier, such as thinking, perceiving and solving the problems (utilize emotions to help in thinking processes, Mayer and Salovey, 2008). This part includes the absorption of emotions into cognitive or psychological procedures where memory can be retained with the help of feelings. Moreover, Palfai and Salovey (1993) argued that present emotional state helps to solve problems for example happy people influence their surroundings by arguing positively and generating creativity.

3. **Emotional Understanding**

Mayer and Slovey (2008), defined emotional understanding as one’s potential to understand
emotional language and to be able to realize the complex associations with emotions. This component of emotion has emphasized as the capability to manage the complexities related to emotions and their advancements.

4. Emotional Management

This component explains the management of emotions and feelings according to the situation, and to other’s moods (Mayer and Salovey, 2008). This dimension is related to the adjustment of moods and emotions in one’s self and in the company of others; meaning that if one is angry or there is some intense moment, in order to relieve other people’s fear and to relax themselves he/she need to cool down. Furthermore, Mayer and Salovey (1997) explained that this structure has many dimensions in hierarchy in which thinking and perception of feelings and emotions, is one of the most important ability to serve as a predecessor for the remaining three parts of abilities of emotion. Thus, emotion management can be considered as one of the highly multifaceted areas that depend on better use of the other skills and abilities in this hierarchy of emotions.

Support for the Ability Model

In order to manage emotions, two main research areas on emotional intelligence have mixed and emerged by Mayer and Solvey (1997), Bar-On (1997) and Goleman (1995) in order to develop mixed model of emotions. Differentiating their views Mayer and Solovey (1997) emotional intelligence is involved in emotions, moods, feelings related to skills and abilities; on the other hand Bar-on (1997) and Goleman (1995) amalgamate all kind of personality traits, organizational and social capabilities. However, the procedures of the mixed form pattern are likely to considerably overlap with present measures which create doubt about one’s ability to give rising calculation of results. As for the above stated arguments, this research gets a support form Mayer and Salovey’s ability model since it has obtained a great deal of statistical data support where mixed models approaches have been seldom reported in past studies and have gained lesser focus on organizational peer analysis (Landy, 2005).
Emotional intelligence covers and serves the broad area of the multidimensional intelligence construct (Mayer, Caruso & Salovey, 1999). Mayer et al. (2004), have explained that self-report on emotional intelligence and the capability of the people were modestly correlated. Therefore, ability test are considered to be more significant as they act upon self-reports, reflected by individual’s proceedings about their beliefs and values rather than their actual capabilities (Mayer et al., 1999).

2.3 The Definition of Risk

According to the classical theory of decision, normally risk is considered as reflecting deviation in the allotment of achievable results, their subjective values and their likelihood (Shapira, 1986). Risk is calculated through the inconsistency in probable gains and losses which are available by nonlinearities in the exposed effectiveness for money (Pratt 1964; Arrow 1965). Recently two studies related to managerial observations of risk (MacCrimmon & Wehrung & 1986 ; Shapira 1986) considered managerial perceptions on these issues. The managers observed risk in those ways that are equally accurate and divergent from risk as it emerges in decision theory. Considered together, these studies presented reliable interpretation on how supervisors describe risk, their approaches towards risk, and how they treat with risk.

In decision making the significance of risk is demonstrated by the means of its reputation in the field of managerial philosophy (Peters and Waterman, 1982), through its position in decision theory (Allais 1953; Arrow 1965), or by the rapidly increasing estimation of risk interest and management (Crouch and Wilson, 1982). Managers take varied apprehensions of risks in accordance to different set of reaction that is totally dissimilar from the perspective of decision theory (Mark & Shapira 1986). The three main differences are as follows: First of all, the majorities of managers do not consider uncertainty and do not unveil and encourage positive consequences as an essential part of risk. Probabilities for gain are of major worth in evaluating the magnetism of substitutes (MacCrimmon & Wehrung 1986), but risk is perceived as unhelpful and negative outcomes. Supervisors are relatively tactless to approximations of the chances of expected outcomes (Shapira 1986).
Secondly, according to Shapira (1986) for these supervisors, primarily, risk is not a probability but their decisions are mostly exaggerated by their concentration that is mainly focused on the critical performance goals. Thirdly, although in discussion of risk quantities are used, and supervisors look for accuracy in approximation of risk, most demonstrate slight wish to decrease risk to a particular quantifiable construct. They make a quick dissimilarity between risks taking and gambling (Shapira, 1986).

These distinctions, all along with narrowly linked interpretation concluded from further studies, organizational choice and individual specifications, that the behavioral aspect of taking risk in organizations is improperly appreciated and understood within a classical formation of risk. There are many other supplementary difficulties with the decision theoretic formations of risk behavior when they are considered as explanations of the authentic and actual procedures of fundamental preference attitude (Mark & Shapira, 1987). There are certain situations when people ignore possible events regardless of their consequences (Kunreuther 1976). Furthermore, people look at merely a few expected possible results relatively rather than the entire allocation, and quantify variation according to those only in some points (Boussard and Petit 1967 and Alderfer and Bierman 1970).

### 2.4 Risk as a Factor in Decision-Making

According to the latest cognitive theories, there are mainly two broad streams through which people comprehend their risk. The first is known as analytical approach, which do not acquire a lot of brain drain and is comparatively less effortful. Second is experimental approach, which is quick and intuitive and not very controllable to rational alertness. The experimental systems permit individual to counter the risk and survive long. Such systems entitle risk as a feeling because it is associated with the understanding of good or bad feeling and affects (Solvic et al., 1997). This clarifies that the combination of both behaviors and thoughts to make rational and cognitive decisions.

Furthermore, Solvic et al. (1997) have argued that when individuals make choices, often they think about the feelings that come in the form of results to their choices and are most probable
to initiate. Before reaching to conclusion, decision-makers analyze their emotions and attain materials. Behavioral decision theory has suggested that prior consequential experience they have gained through any past decision serves as the pre-requisite to their future expectations and behavior determination (Meller, Schwartz & Ritov, 1999). Alhakami and Slovic (1994) argued that perceived benefit and perceived risk association of an action is opposite, which was linked with the power of constructive and positive or destructive affect connected to that action as considered by ranking scales like bad or good, awful or nice, not dread or dread and so on. According to Slovic et al. (1997), people base their conclusions not just on what they feel about that particular activity but also on how they supposed or felt about it. Tversky and Kahneman (1979) in support to the previous argument said that perceived losses are experienced more powerfully as compared to perceived gain. These authors Khneman & Tversky (1979, pp. 279) described it as risk aversive behaviors, and argued that people tend to forget about good but fear about bad to happen and quoted that “losses loom larger than gains”. They furthermore gave an example to explain as if individuals were unenthusiastic to acquire an even gamble that would end result in either losing or wining some money, for example $5. In real time most of them will find this game unappealing, due to the apparent negative outcome of losing 5$ which gave the impression more strapping than the possible effect of the corresponding favorable or positive outcome of winning $5 (Tversky and Kahneman, 1979). If they were feeling favorably or positive towards an action they would have made wise decisions. Meaning that if one can discover the grip on working and dealing with their emotions they would naturally find the way to understand and manage their emotions.

Consequently, by strengthening ability to response to everything that happens, people compare their past and present personalities and tend to make wiser choices (Solvic et al., 1997). But in reality people feel less encouraged towards the evaluated risk and the profits look more appealing to them; that means their intimate approach towards the risk is more unfavorable, and they feel more inclined to evaluate the opposing high risk and less to take fewer benefits. Slovic et al. (1997), and Finucane et al. (2000), supported this argument and said that there is opposite relationship between perceived benefits and perceived risks. According to Kahneman and Tversky (1979) probabilities were subjected to a conclusion or weighting decision function, and possible outcomes (values) were multiplied by calculated decision weights.
In 2001 Leowen Stein et al. proposed the model, according to which affect heuristic is excessively familiar with it and with twofold or dual procedure theories of Epstein (1994) and some other researchers. According to those researchers cognitive and experiential systems have been used by humans side by side. They argue that the experiential system encodes facts and particulars in symbolic structure while rational approach is an analytical approach that worked by means of established regulations of reasons and reality. Slovic et al. (2004) explained that analysis of risk is supported by experiential philosophical approach. Prospect theory have been evident to show tremendous results based on the explanation of ordinary risks, choices and behaviors which is quite apparent in the literature of risk behavior and decision making. However, the theory is yet to be pondered about the practicality of risky choices.

Another stream of research explained different definition of risk behavior and focused how different explanations of risk behavior could influence choices or preferences (Clark 1984). In 1999 Weber explained perceived risk behavior from traditional classical economic interpretations of risk. According to him perceived risk behavior explains the perception of individuals related to some choices as less or more risky. Economists also explained that risk taking is associated with high variance results, and risk aversion with low variance results. Some factors which could affect individual perception behavior towards certain situations could be peer influence and social influence (social and economic value and norms) (Wood, 2000). Ariely (2004), Fiske (1992), Elster (1989), and Clark (1984), explained the practical application of many different norms by individuals while facing different situations. In 2000, Wood reviewed the social influences and persuasion in social communications, which revealed that enthusiasm about one’s self, the other and the scenario, may all bring about alteration in behavior. He argued that social influence could occur through getting knowledge about new arguments against an alternative or in favor in addition to the societal context engaged in different kind of relations and different kind of norms and values relations.
2.5 Emotional Intelligence and Risk Taking Behavior

According to Frogas and George (2001) and Schwarz (2000), studies related to decision-making serves as the main cognitively oriented area, which shows a rising apprehension for the emotion’s role. In different decision making situations the emotional intelligence, has enormous effect on the personal activities toward risk behavior. This concept of emotional intelligence achieved distinction partially because it corresponded to emerging modern cultural norms and values (Salovey, Woorley and Mayer, 2001). Furthermore, Zeidner et al. (2002) claimed that emotional intelligence grew as a concept that has already been emerging from ancient time. This means that in ancient times the essence of emotions has been recognized in many domains of life such as social, academic and occupational etc, the only difference is the feelings human beings tend to feel and react accordingly in the same situations at different times. Meaning that, “experiencing one’s self in a conscious manner is gaining self-knowledge and it is an integral part of learning” (McCown et al., 1996, pp. 78).

Furthermore Simon (1957) argued that sound and correct decision-making takes place only under rational conditions. The best decision-maker identified to be performing with a cool head. These decisions come from only cognitive, rational processes; there is no place for emotions in reasoning. Similarly the framework of game theory provided insights into human supportive and competitive tendency to perform in planned strategic circumstances with clear rules (Camerer, 2003). On the contrary, Freshwater and Stickley (2004) stated that people conceptualize mind as “it consists of two minds; a rationalized thinking mind and an emotional feeling mind” (pp. 91). According to Peter & Slovic (1998) and Gasper & Clore (1998), people may react differently depending on their cognitive experiential systems.

Additionally, Finycane et al. (2000) added that in the procedure of judgment people sensed and consulted the affect. This categorization of intellectual shortcuts had led to tag the use of affect as heuristics. According to Slovica et al. (2004), in the experiential system, the awareness and incorporation of affective feelings emerged to be in the variety of procedures. The affects authorized to be rational in lots of different scenarios but never in all scenarios, the reason is that there are various ways that shows how experiential method can deceive people.
Slovica explained that the first reason could be the observant influence of person’s emotional and effective response by those grounds based on administrative behavior or attitudes. The second reason can be individual’s personal limitations of cognitive system and impressionable motivations that do not align to suitable emotional demonstrations.

In addition to previous arguments Keller’s (1985); Weber & Millman’s (1997) research related to individual adaptation traditions suggested that people changed in organized manners, as in how they experienced emotions, how competent they were to distinguish between them, and a major question that had been ignored by behavioral decision practitioners and researchers is that how and to what extent emotional information could be processed by people. However in the way people manage their decision-emotions is based on human dissimilarities (Winter & Kuiper, 1997). Consequentially, Salovey and Mayer (2001) concluded that emotional intelligence can help to handle the situations tactfully and go towards risk seeking activities for more benefit. People reaching towards essential goals of their lives, use consolidated and decent ways to handle and understand their emotions (Salovey & Mayer 2001).

Furthermore many researchers pointed out (Cooper, Flanagan, Talley & Micheas, 2006), that negative experience is more consequential for risk taking behaviour due to strong motivational unpleasant result than positive emotional experience. Thus, in order to produce useful and beneficial outcomes, emotional intelligence can be used as a skill or ability to understand one’s own and other’s emotions. Discussion above can be summarized by the summative note taken from Slovey & Mayer, Goldman, Turvey and Palfai (1995) that says:

“People in good moods are better at inductive reasoning and creative problem solving”.

Therefore the assumed hypothesis is:

**H1:** There will be a positive and significant relationship between emotional intelligence and risk taking behavior.
2.6 Role of Positive and Negative Affect

Occurrence of feeling or emotion is known as affect generally. The term affect was defined by Frijda in 1986 as subjective feelings with certain negative and positive behaviors or hedonic tones. It was distinguished from moods and discrete emotions and had a specific appropriate component, however not an elicitor or particular target. The word "affect" was taken in consideration to point out an instinctual response to the occurrence of stimulation before the classical cognitive procedure considered complicated emotions vital. In (1980) Zajonc declared that this response to stimuli (motivation) is most important for human individuals. Zajonc (1980) further recommended that affective responses can occur without cognitive encoding and wide perception, and can be made earlier and with more self-belief than cognitive decisions. But in contrary Lazarus (1982) believed affect to be ‘‘post-cognitive’’. Only after some cognitive processing of data has been accomplished, affect is considered to be extracted. Brewin (1989) continued this point of view, and explained that effective responses such as assessments, favoritism and knowing pleasure or displeasure are subjective tools for organization’s assistance.

Damasio (1994) stated that affect facilitated more rational method of cognition. On the contrary, Lerner and Keltner (2000) argued that both pre and post-cognitive affect can be shaped by primary emotional reactions, opinions and judgments. There are too many debates which explained that situations that stimulate positive affectivity and negative affectivity could either be coming from specification of stimulation (Watson, Clark & Tellegen, 1988) or integration (Barrett & Russel, 1998). For instance, thematic appreciation test (TAT) explained how environmental factors and personality can be united mutually to estimate certain behaviors (Lievens, Chasteen, Day, & Christiansen, 2006; Kamdar & Van Dyne, 2007). The TAT test suggested that under the favorable environmental situations, individuals would show different attitudes depending on their specific trait tendencies. These differences because of traits in actions lead to dissimilarities in performance. But to fulfill the rationale of present study, it is supposed to be inter person uniqueness and intra person consistencies and tendencies to perform in constant manner in the light of situational requirements as described by Tett & Guterman (2000).
Positive affective state referred to a situation which is unproblematic while negative affective states point out to a situation that is troublesome, characterized by threat or disappointment (Bless et al., 1996). Furthermore, Sinclair and Mark (1992) stated that in a negative or unfavorable affective situation people more often connected in organized processing when making decisions, comparative to those individuals who were in a condition of favorable or positive affect. These authors argued that individuals in a bad temper or negative mood might be too inclined to engage in organized processing which helps to abolish their bad temper and negative mood. On the contrary people with positive mood abstain from consuming effort for a cognitive activity which might reduce their positive mood.

But in contrary Bless et al. (1996), stated that people in unpleasant or negative affective states focused on the particulars of the situation, reflecting that their mood indicated a problematic situation that renders it risky to rely on one's default routine. People who are in pleasant or positive states assumed the situation as uncomplicated, referring that their habits would serve more reliably. Nevertheless, mood has great influence on memory, and well known effect on social behavior, and judgments. (Weiss and Cropanzano, 1996). By focusing on the connection between strategic decision-making and negative affect Mittal and Ross (1998) demonstrated that compared to those individuals who were in positive moods, those with negative moods were less expected to consider the strategic issues as an opportunity and further expected to engage in risk taking behavior when making any strategic decisions. For example, Staw and Barsade (1993) conducted a study to check the influence of affectivity on decision making procedures of MBA first year students who contributed in an in-basket implementation. Their results recommended that while doing decision-making work outs, students with positive affective nature performed well by demanding more required information when there were inadequate data, better familiarity with situational possibilities, and made superior utilization of the information supplied in the task comparatively to low or medium positive affect. The results supported the ideas of Isen, Nygren and Ashlay (1988), that individuals with positive affect circumstance to be extra conventional or conservative or self-protective as compared to individuals in unbiased circumstances while taking any risky decisions with a more risk or high probability of loss (Isen, Nygren, and Ashby 1988). Furthermore, this trend by signifying
positive affect helped people to shift their focal point from result probabilities to utilities and result values, when they judged about losses in the risky situations (Nygren, Isen, Taylor and Dulin 1996). Parrott (1993) argued that despite of certain significant exemptions, people should be motivated enough to dominate pleasant emotions over unfavorable and unpleasant feelings. In addition, this conditioning of emotional management would lead people to develop positive affectivity and will make them able to ignore negative moods and compete with stress (Mayer & Salovey, 1997).

Therefore it can be extracted from all the above mentioned literature that in order to enhance the eminence of emotional knowledge, one must know the understanding and perceiving of emotions through interpretive cues that inform self-regulatory actions and help people to identify their behaviour. Hence, it is assumed that emotional intelligence will contribute positively to positive affect and work-life behavior.

H2(a): There will be a positive and significant relationship between emotional intelligence and positive affectivity.

H2(b): There will be a negative and significant relationship between emotional intelligence and negative affectivity.

2.7 Positive Affect, Negative Affect and Risk Taking Behaviour

Boyatzis & McKee (2005) explained emotional intelligence as a flexible and adaptive tool that people use to cope up with work-life challenges. People high on emotional intelligence adopt the positive view whereas people low on emotional intelligence leads less towards adaptive coping strategies (Jordan et al., 2002). Many studies showed that adverse or negative affective circumstances might affect decision. Three main ways were identified by researchers. Firstly, coloring the content of human thoughts by negative or adverse effects shape their decisions, therefore it was recognized that because of undesirable or unfavorable behavior individual’s opinions, judgments, and inaccurate observations towards larger negativity, results as behavior congruency. (Wright & Bower, 1992; Johnson & Tversky, 1983; Goldberg & Basu, 1993).
Secondly, negative affective states change the procedure through which an individual finalizes decisions. According to Ellis & Ashbrook, (1988) and Eysenck, (1982) it was extensively acknowledged that adverse affective situations such as sadness and anxiety obstructed with individual’s capacity of data processing. Consequently, sad or anxious people were exposed to processed data less methodically in decision making and judgement (Sanbonmatsu & Kardes, 1988; Conway & Giannopoulos, 1993). Thirdly, negative affect can influence the decisions by shaping the motives of decision makers. Negative affect shows a motivational transfer and thus highlights sensitive apprehension for “repairing” or evaluating one’s mood (Zillmann, 1988; Morris & Reilly, 1987).

Different researchers explained the worth of affect such as, Schwarz & Clore, 1988; Schwarz, 1990; and Pham, 1998. In addition many researchers explained the rational cognitive composition of emotions like, Scherer 1984; Roseman, 1991; and Lazarus, 1991. These authors argued that the procedures of decision-making can be influenced adversely by different kind of negative situations such as sadness, stress or anxiety. This happens because of the reality that such situations (affective states) expect to have rapid distinctive goals during the procedure of decision-making.

Furthermore Isen (2003) argued that the key facilitator of creativity is positive affect. In addition to the previous argument Lyubomirsky et al. (2005) and Isen & Baron (1991) positive effect resulting from daily activities, can be a catalyst for effectiveness and creativity in organizational settings. Creativity leads towards risk seeking activities which ultimately gives more return. Likewise it was acknowledged extensively that in decision making negative affectivity served less methodically, that’s why people go towards risk aversion because they cannot properly calculate expected risk. (Sanbonmatsu & Kardes (1988); Conway & Giannopoulos (1993). Consequently, I develop the hypothesis as:

**H3(a):** Positive affectivity will be positively and significantly correlated with risk taking behaviour.

**H3(b):** Negative affectivity will be negatively and significantly correlated with risk taking
behaviour.

2.8 Role of Positive Affect and Negative Affect

Moods and feelings that lead to work affect are significant to happen at work. Affective Event Theory (AET) explains that the increasing affective understanding, experience and other aspects including job relevant attitudes build worker's personality in the work atmosphere. Authors such as Loewenstein et al. (2001) and Weiss & Cropanzano (1996) stated that risky preference can not only be affected by anticipated emotions but can also be affected by anticipatory feelings. During the process, these anticipatory emotions could be stress, anxiety or any kind of fear. All these negative mental conditions refer to future results, as if the affecting experiences itself occurs in the present relatively could serve as an emotionally pretended future. According to the theory of non-consequentialist, in decision making under risk it is assumed that emotions if interacted precisely can mediate the choice directly.

There are many rational and non rational factors such as peer pressure, decision maker's personality and personal qualities, organizational situation, and others which could affect decision making. Likewise Raiffa (1997) argued that decision makers would have to pay attention to feelings and emotions during making decisions. in the process of decision-making many researchers have analyzed the impact of adverse negative affective conditions of the individuals and distinguished it with positive affect (Mittal & Ross, 1998; Sinclair & Mark, 1992). Researchers have premeditated negative or positive affect like a predisposition relatively than for the time being influenced mood state (Staw & Barsade, 1993;Daniels, 1996). Furthermore decision making literature, also renowned the role of feelings and emotions as an antecedent to decision-making.

According to Jung and Yoon (2012) emotions are directly, significantly and positively related to organizational citizenship behavior and positive attitude towards work environment. Dincer et al. (2011) mentioned that emotional intelligence create positive impact on work behavior that supports innovation. Similarly Mishra and Mohaparta (2010) found that emotional
intelligence augments performance. Celik and Unler Oz (2011) also showed a noteworthy relationship between emotional intelligence, intention to leave and absenteeism without excuse. Even though many researchers such as Cherniss (2010) and Joseph & Newman (2010) have identified emotional intelligence as a process and a construct, well-built doubts about its positive celebrations remains there which makes the construct doubtful in terms of scientific research (Antonakis, 2010). Emotional intelligence and affect have long been tied together by Salovey and Mayer (1997) as they stated that emotional intelligence can help people to activate pleasant mood and avoid unpleasant mood. Furthermore, as defined above, affect is a feeling with different hedonic tones (Frijda, 1986), which is experienced as a result of daily activities (Baron 1991 and Lyubomirsky et al. 2005). These daily activities involves risk seeking activities of positive affectivity because people perceive situations as unproblematic ones and risk aversive incase of negative affectivity, because people perceived situation as uncomplicated (Bless et al., 1996).

Many past researchers have checked the impact of EI on Affectivity (i.e positive and negative) like Kafetsios & Zampetakis (2008).These authors described that EI has significant influence on affectivity. Considering Pakistani service industry as the context of this study, which involves highly adaptive environment, this unique relationship of taking positive and negative affect as mediators in emotional intelligence-risk taking behavior relationship provides answers to many significant problems at workplace. Therefore, I hypothesize that:

**H4:** The relationship of emotional intelligence and risk taking behavior will have a mediating effect caused by positive affectivity.

**H5:** The relationship of emotional intelligence and risk taking behavior will have a mediating effect caused by negative affectivity.

**Summary:**

For adaptive solutions of problems, people approach tasks with emotional intelligence, because these skills are considered as the significant component of emotional intelligence. The labeling of problem varies from person to person. One might consider a problem due to their
personal attachment but others might not feel the same. In worst case scenario if people face problems in their work life and are emotionally strong be more flexible and creative in determining possible alternatives to a problem. Salovey and Mayer (1999) explained emotional intelligence as not only the one that can utilize the positive emotions but also can approach the painful emotions in a way that can maximize the positivity of a goal. This side of the definition states that any kind of feelings can be instrumental or useful for self-growth plus individual development. Hence, the only need is to change a mindset of dealing rather than just to react against our emotions. According to David Caruso’s (2001) point of view:

“It is very important to understand that emotional intelligence is not the opposite of intelligence, it is not the triumph of hear over head, it is the unique intersection of both”.

By taking both streams together people can learn how to be friendly with emotions, rather, people ostracize their emotional self. Apart from these arguments emotions can only be irrational if the mindsets or belief systems of the networks are summative and reflective to illusional thoughts. Almost daily people face scenarios of uncertainty, risk, and ambiguity. Still under these circumstances, continually human beings are making decisions. In certain conditions (i.e., arousal, time and pressure) people habitually depend on emotions in order to get help or guideline among choices. People mostly rely on their own perception of benefit and risk while assessing options in decision making, and not essentially the real risks and benefits involved in making of decisions. Moreover, perceived benefits and risk are usually affected by one’s own emotional situation. Risk exists, when possibility of negative outcomes or other losses connect with decision choices.

The figure below illustrates the hypothesized relationship of all the variables explained in detail in the above literature. At first, it investigates and understands the connection between the main constructs i.e. emotional intelligence and risk taking behavior (relationship between independent and dependent variable respectively). Secondly, it explains the position of emotional intelligence in relation to negative affect and positive affect (relationship between independent and mediating variable respectively). Thirdly, the figure explains the role of positive and negative affect as the mediators between the relationship of emotional intelligence and risky behaviour (relationship between mediating variable, independent and dependent
variable respectively).

Theoretical Framework

FIGURE 1
Impact of emotional intelligence on risk behaviour with Mediating Effect of positive and negative affect.
3 METHODOLOGY

This chapter gives all details about the research methodology used in the current dissertation. Methodology highlights the different procedures of sampling, collection of data and methods to analyze results that add value and significance to the research.

3.1 Research Design

The study design for this study is cross-sectional field study to check the impact of emotional intelligence with mediating effect (i.e. positive & negative) on risk behaviour which can be further classified into two dimensions a: risk taking behaviour b: risk aversion. In time one I have collected data related to emotional intelligence and affect (positive affect & negative affect). And in time two I have distributed surveys which measured risk behaviour.

3.2 Sample, Data Collection Procedures and scale Measures

to study the entire population it is important to have sufficient amount of resources. It was not possible to take the entire population into account due to many resource constraints such as time, research sites and finances and most significantly the cross-sectional nature of the study. Study population consists of three large cities from Pakistan that are Lahore, Islamabad and Rawalpindi. Personal efforts were made to reach the secondary sources. To conduct the survey, questionnaires were distributed through personal contacts and networking. The survey was distributed amongst employees of four different telecom organizations. Respondents were mainly the call centre agents from these organizations. They were approached in their offices to fill in the questionnaires. Respondents were mainly full time employees; working in different shifts, team leaders, call center agents, supervisors and first line managers working in the call center units. Each questionnaire has a covering letter attached, presenting a brief introduction of the author, university and the study. To ensure the ethical issues in the study participants were ensured for their confidentiality, responses and information. Upper management helped to distribute the copies of questionnaires and to make sure that respondents will fill the responses properly. On the grounds of convenience sampling a total of
300 employees were taken as the selected population in chosen organizations. Since the study is based on cross-sectional data design the responses that came back from the time1 questionnaire (see appendix 2) were 265. Due to some uncontrollable factors such as employee’s absentees and inappropriate or blank responses, the total useable questionnaires at time 2 (see appendix 3) were 202. Likewise, the same questionnaires were omitted from time 1. The final numbers of questionnaires were 202 that yielded a response rate of 67%.

All variables were tapped using self reported measures in order to avoid biasness. 6-point likert-scale was used to tap the responses for emotional intelligence. The scale ranged from 1 to 6 where 1= strongly disagree, 2= disagree, 3= slightly disagree, 4 = slightly agree, 5= agree and 6= strongly agree. Mediating variable were recorded on 5-point scale where 1= Very slightly or not at all, 2= moderately, 3= quite, 4= a bit and 5= extremely. The scale of risk behaviour were taken on 5-point likert-scale where 1= very unlikely, 2= unlikely, 3= not sure, 4= likely and 5= very likely. Uncertainty avoidance was judged on 7-point likert scale where 1= strongly disagree, 2= disagree, 3= slightly disagree, 4= neutral, 5= slightly agree, 6= agree and 7= strongly agree. The higher level of a construct can be seen by the high response obtained against that variable. Additionally, at the end of the survey respondents were asked to fill their demographics such as age (in years), gender, level of occupation, salary (in rupees) and tenure (in years).

3.3 Instruments

In order to avoid issues related to biasness, cross-sectional research design has been used. Following questionnaires were used for the collection of data.

**Emotional Intelligence Scale (Wong & Law, 2002)**

This scale has been adopted due to its capability to recognize and regulate feelings in self and others and to measure personality differences. This scale has been used in many studies such Anur (2012) and Bahadori (2012) with the significant reliabilities of 0.83 and 0.90 respectively. This scale constructed a reliability of 0.89 in current study. As mentioned above the scale used
was on 6 point likert and consisted of 16 items where the higher scores meant to represent the higher level of emotional intelligence.

**Positive Affectivity Negative affectivity Scale**

In this study I have used Watson, Clark & Tellegen’s (1988) scale of PANAS. The questions in this scale are designed to check individual’s affectivity in relation to varying emotions and feelings. PANAS measures both the mediators on 5 point likert scale that ranged from not at all to extremely. The higher the score of positive and negative affectivity the higher it shows the level of positive and negative traits. The described reliabilities of positive affectivity and negative affectivity were 0.71 and 0.69 respectively and 0.72 (for both the variables) in study. According to Field (2009), reliability always depends on the type of the construct that one measure as it is a measure of internal consistency and especially in the area of psychology; an alpha level of 0.50 can be accepted. As negative affect in this study carries a reliability lower than the conventional standards (for NA: \( \alpha = 0.69 \)) but is acceptable. This reliability issue can further be adjusted by deleting the poor items or just changing the context.

**Risk**

I have used two scales for Risk Taking Behavior (RTB), Hofstede, (1984) and Weber, Blais and Betz (2002). In order to cover a length of risky behaviors (Byrnes et al., 1999), six domains were identified to be assessed after thorough literature review. Those six domains were checked with the help of 20 items in the questionnaire and the domains were mainly financial risk, ethical risk, societal or social risk, recreational risk and risk related to health and safety. Each domain had certain set of questions, for instance, financial risk= 4 items, risk related to health and safety=4 items, 4 items measuring recreational, 2 items measuring ethics, 4 items measuring social risky behaviors, and 2 items measuring gambling. These 20 items were checked on 5 point likert scale where 1 represents extremely unlikely and 5= extremely likely. Sample items can be seen in appendix 3. Described reliability for this scale was 0.89 and 0.92 in actual. I expected differences in cultural values so, I included uncertainty avoidance items. Society’s ability to tolerate ambiguity is called uncertainty avoidance. It
deals with the cultural indication of comfortable or uncomfortable members in amorphous situations. In simple words uncertainty avoidance is the search to unveil truth. In this thesis uncertainty avoidance is adopted from Hofstede (1984) with five items and described reliability of 0.77 and 0.72 in study. Seven point likert scale has been used. Higher responses obtained against a variable represent higher level of construct.

3.4 Data collection method and data analysis techniques

Data collection happened through the network of people working in service sector organization in three large cities of Pakistan including Islamabad Rawalpindi and Lahore. Additionally, postal and email services have been used to gather the data back from some organizations. Besides, personal and professional networks were used to collect the data from different organizations in Pakistan. In order to validate sample descriptions, descriptive statistics have been acquired. These descriptive statistics help to find out problems regarding the data such as wrong entry etc. To find the correlation among study variable correlation analyses have been used. Likewise, to test the hypotheses 1, hypothesis 2(a) hypothesis2 (b) hypothesis 3(a) and hypothesis 3(b), multiple linear regressions have been used. Mediating regression analysis technique has been used to test Hypothesis 4 and Hypothesis 5. Moreover, I controlled all the demographic variables which include age, gender, experience, qualification and income.
4 RESULTS

Disruptive statistics and correlations have been highlighted in this section. The section includes mainly the results, main effects, mediated regression analysis and finally the summary of the results of the hypotheses have been given at the end.

4.1 Descriptive Statistics and Correlations

Table 4.1 shows the descriptive statistics including the means and standard deviation and the correlations amongst the study variables. Out of the total sample size (202) the number of males and females in the survey were 75% and 25% respectively. The total sample of 202 responses included 75% males and 25% females. Standard deviation for the average age (30 years) was 6.13. There was a huge diversity in educational qualification. Bachelors were 11.5%, 86.5% were masters, 1.0% was M.phil and 1.0% was pursuing their higher studies. Income group of about 50.5% of the total sample had less than 150000rs/month (140 euros) ranged below 15000 Pakistani rupees (rs) per month. About 39.5% were starting from 16000 rs (150 euros) and may range to 30000rs (280 euros). Only 3% varied from 31000rs (300 euros) till 45000rs (430 euros). the rest of 1.5% employees had income above 46000 (450 euros) per month. About 58% of the respondents had experience lower than one year, 33% ranged from 1 to 5 years, 6% ranged from 5 to 10 years, and 3% of the total sample ranged from 10 to 15 years. As for reliabilities, they have been reported diagonally in table 1. All of the reliabilities were reported above the conventional standards except the one for negative affect. The reliability of emotional intelligence was .89, risk behaviour 0.89, positive affect 0.716 and negative affect was 0.697. Although reliability of negative affect was below conventional standards of .70, however, it was approximately 0.70 and is acceptable.

Table 4.1 reveals that there was a positive relationship between emotional intelligence and risk behavior with the value of r=.26 (p < 0.01). The study also gave the evidence about the positive relationship between emotional intelligence and positive affectivity as shown in Table 4.1 (r = .59, p < 0.01).
The calculated results proved a negative relationship between emotional intelligence and negative affectivity as it was hypothesized and shown in Table 4.1 \( (r = -0.30, p < 0.01) \). The remaining positive correlations between positive affectivity and risk taking behavior were \( (r = 0.33, p < 0.01) \) (see Table 4.1).

Furthermore negative correlation exists between risk taking behavior and negative affectivity and it is proved that these variables were negatively and significantly correlated with each other as depicted in Table 4.1 \( (r = -0.61, p < 0.01) \).

Figure 2 below illustrates the path analysis and the correlations for the hypothesized relationships.

**Path Analysis**

![Path Analysis Diagram]

**FIGURE 2**

Impact of emotional intelligence on risk behaviour with Mediating Effect of positive and negative affect.

**4.2 Regression Results**

The main effects of regression analyses have been shown for both positive affect and risk behavior in table 4.2 discretely. To run the regression analyses for positive affect and risk
behavior I enter the demographics (age, gender, and experience and income level) as controlled variables in first block and emotional intelligence in the second block Table 4.2 (Model-1).

Emotional intelligence significantly predicted risk taking behaviour, emotional intelligence and risk behaviour ($\beta=0.25, p=< .001$) and positive affect did significantly predict risk taking behaviour ($\beta=0.32, p=< .001$). Further to run the regression analyses for positive affect and risk behavior I enter the demographics (age, gender, and experience and income level) as controlled variables in first block and emotional intelligence in the second block. Emotional intelligence significantly predicted positive affect as Table 4.2 (Model-2) shows emotional intelligence and risk behaviour ($\beta=0.62, p=< .002$).

The regression results for main effects for both negative affect Table 4.3 (Model-1) and risk behaviour Table 4.3 is shown separately. Further to run the regression analyses for positive affect and risk behavior I enter the demographics (age, gender, and experience and income level) as controlled variables in first hierarchy and emotional intelligence in the second hierarchy (see table 4.3 model-1). Emotional intelligence significantly predicted risk taking behaviour: emotional intelligence and risk behaviour ($\beta=0.25, p=< .002$) and negative affect did significantly predict risk taking behaviour ($\beta=-0.57, p=< .002$). Further to run the regression analyses for negative affect affect and risk behavior I enter the demographics (age, gender, and experience and income level) as controlled variables in first hierarchy and emotional intelligence in the second hierarchy. Emotional intelligence significantly predicted negative affect as Table 4.3 (Model-2) shows emotional intelligence and risk behavior ($\beta=-0.29, p =< .002$).

To test the mediation hypotheses 4 and 5, I applied regression analysis of mediation tested by Baron and Kenny (1986). In order to confirm the results of mediation analysis I applied Sobel test as well on the data so that the results could be confirmed twice. As per regression analysis by Baron and Kenny there are three conditions which should be taken into consideration to believe the mediation as a true one. First, the regression should prove the relationship between
independent and mediating variable. Secondly, the relationship between dependent variable and mediating variable should be approved. And thirdly, the regression analysis should show a relationship between dependent and independent variable. The results for regression analysis are only valid if increases in the value of independent variable cause a decrease in the value of dependent variable (while keeping the mediators controlled). The results of the all the variables including independent variable (emotional intelligence), mediator variable (positive affect) and dependent variable (risk taking behavior) extracted through the multiple regression analysis have been shown in table 4.2 (model 3). The results showed that positive affect potentially mediates the relationship of emotional intelligence-risk taking behavior where the value is reduced insignificantly to .08 and $\Delta R^2$ is also reduced to .004 and it was insignificant at .41 level. This shows that positive effect mediates completely. The beta value of relationship among EI and Risk before the involvement of mediator was .25 and it was significant at .002, but when the positive affect is added in their relationship as mediator, the relationship between EI and Risk was found to be insignificant, which shows the complete mediation of positive affect between EI and Risk.

The results of the all the variables including independent variable (emotional intelligence), mediator variable (negative affect) and dependent variable (risk taking behavior) extracted through the multiple regression analysis have been shown in table 4.3 (model 3). I tested hypothesis 5 and found that Negative affect potentially mediates the relationship of emotional intelligence-risk taking behavior where the value is reduced insignificantly to .095 and $\Delta R^2$ is also reduced to .001 and it was insignificant at .16 levels. This shows that Negative effect mediates completely. The beta value of relationship among EI and Risk before the involvement of mediator was .25 and it was significant at .002, but when the negative affect is added in their relationship as mediator, the relationship between EI and Risk was found to be insignificant, which shows the complete mediation of negative affect between EI and Risk. In summary hypothesis 4 and hypothesis 5 were accepted and results were based on complete mediation. The sobel test also found to be statistically significant for hypothesis 4 and 5 which and proved the mediation with the t value of 3.09 and 3.91 (p< .01), respectively.
### Hypotheses summary: Results

<table>
<thead>
<tr>
<th>S.No</th>
<th>Hypotheses</th>
<th>Results</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>There will be a positive and significant relationship between emotional intelligence and risk taking behavior.</td>
<td><strong>Supported</strong></td>
</tr>
<tr>
<td>2(a)</td>
<td>There will be a positive and significant relationship between emotional intelligence and positive affectivity.</td>
<td><strong>Supported</strong></td>
</tr>
<tr>
<td>2(b)</td>
<td>There will be a negative and significant relationship between emotional intelligence and negative affectivity.</td>
<td><strong>Supported</strong></td>
</tr>
<tr>
<td>3(a)</td>
<td>Positive affectivity will be positively and significantly correlated with risk behavior.</td>
<td><strong>Supported</strong></td>
</tr>
<tr>
<td>3(b)</td>
<td>Negative affectivity will be negatively and significantly correlated with risk behavior.</td>
<td><strong>Supported</strong></td>
</tr>
<tr>
<td>4</td>
<td>The relationship of emotional intelligence and risk taking behavior will have a mediating effect caused by positive affectivity.</td>
<td><strong>Supported</strong></td>
</tr>
<tr>
<td>5</td>
<td>The relationship of emotional intelligence and risk taking behavior will have a mediating effect caused by negative affectivity.</td>
<td><strong>Supported</strong></td>
</tr>
</tbody>
</table>
Table 4.1: means, standard deviations, correlations and reliabilities a, b

<table>
<thead>
<tr>
<th></th>
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<tbody>
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<tr>
<td>2. Gender</td>
<td>1.23</td>
<td>0.42</td>
<td>-0.06</td>
<td>-</td>
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** p < 0.002    * p < 0.01   Control variable, — All demographic variables

Dependent Variable, ___ Risk taking behaviour, Independent Variable, ___ Emotional Intelligence
### 4.2 : Mediation Regression Analysis of Positive Affectivity (Mediator one)

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<th>( \Delta R^2 )</th>
<th>( \beta )</th>
<th>( \Delta R^2 )</th>
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**p < 0.005    * p < 0.01**  
Control variable, — All demographic variables
Dependent Variable, ___ Risk taking behaviour, Independent Variable, ___ Emotional Intelligence
4.3 : Mediation Regression Analysis of Negative Affectivity (Mediator Two)

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<td><strong>Step 2</strong></td>
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**Model 2:**

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**Model 3:**

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<td></td>
</tr>
<tr>
<td>EI</td>
<td>.09</td>
<td>.01</td>
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</table>

* * p < 0.005 * p < 0.01  Control variable, — All demographic variables
Dependent Variable, ___ Risk taking behaviour, Independent Variable, ___ Emotional Intelligence.
5 DISCUSSION AND CONCLUSION

The current section provides recommendations for call centers working as the units in telecom industry and aim to provide services in their prescribed areas. In addition, this section provides a set of practical implications to the managers and limitations for the future research.

5.1 Discussion on results

Current study provides extensions to the existing literature about emotionality (EI), affectivity and risk taking behaviour. The results illustrate the essential role of negative affect and positive affect in this relationship. The study aims to find out the effects of emotional intelligence at risk taking behavior, not only in the work place environment but also in daily routines of life. In addition, this study addresses the involvement of affectivity in decision making in relation to risk taking behaviour and informs to what extent emotionality (EI) is associated with positive and negative affectivity. Risk taking behaviour is natural personality characteristic, but only few individuals know how to manage it properly. This study explores this concept together with the concept of emotional intelligence and involvement of affectivity.

Hypothesis 1 (Table 4.1) reveals that emotional intelligence is positively related to risk taking behaviour. Behavioral decision making theories also supported this hypothesis, as it deals with the descriptive opinions. This is to say, how rationally people take decisions in their normal life. This descriptive point of view also helps to judge human’s biased behaviours and gives prescriptive support in every real life risky decisions.

Hypothesis 2(a) and hypothesis 2(b) were confirmed in Pakistani context as when people have a clear awareness of who they are and who they are becoming, by strengthening the ability to respond to everything that happens, the individual can make a wiser choice. Emotional intelligence plays a vital role in different fields of life while taking a worthy decision, since it is not only a combination of different phenomena of emotions but also about cognitive processes. While taking any risky decision emotional intelligence really assists as a protective element against adverse results for those people who have faced significant adverse life events and it
also plays major role in creating a positive affect. Particularly the significance of the concept of emotional intelligence concerning its possible protective role against negative affect and positive affect in case of risk taking and risk aversion decision is an emerging phenomenon. Simon (1957) argued that scholars and practitioners established that the more a person is rational the more they tend to make correct decisions. The framework of game theory has provided insights into human supportive and competitive tendency in diverse deliberate strategic circumstances with clear rules (Camerer, 2003).

With the help of previous literature Hypothesis 3(a) and 3(b) also proved reliable in Pakistani context and the study also specifically highlights the importance of emotional intelligence with risky choice behaviour, as people high on emotionality normally move towards risk taking behaviour after assessing the pros and cons of a problem. Affective event theory justifies well the way work life is affected by positive and negative affect (Weiss and Cropanzano, 1996). This theory promotes cognitive and personality elements. In 2002, Weiss stated that at the work place, positive and negative affectivity plays a vital role in risk behaviour as proved in this study and shown in Table 4.2.

Damasio (1994) explained how emotional intelligence can help in molding behaviors and making decisions. By taking the support of decision theory, choice suggested that individual reacts "as if" they are practicing and experiencing disappointments and regrets but actually it is that what people really experience. Literature in current study makes it evident that good or bad experiences have an impact on emotional intelligence. Lack of emotional intelligence may lead to impolite behaviors, disregarding and harming one’s own self and others. In this domain, Caruso, Mayer and Salovey (2002) added that leaders with their best of emotional intelligence can manage their own behavior, thinking procedures and the situations to achieve the desired results.

Hypothesis 4 and Hypothesis 5 (see Table 4.2) reveal that people with high emotional intelligence lead towards risk taking behaviour and positive affect mediates the relationship. Similarly people with low emotionality normally move towards risk aversive behaviour and negative affectivity mediates between both variables. The results of this study from regression
analyses also suggested that compared to negative affect, emotional intelligence effects positive affect more directly, strongly and positively. This accumulates a significant finding same to Thoresen, Kaplan, Barsky and De Chermot (2003) as they explained positive affect as the superior predictor of work life outcomes. Isen (2003), Fredrickson (2001) and Lyubomirsky, king and Diener (2005) added that positive affect influence people’s actions and feelings in such a way that they start to develop personal and societal reserves. Hence, people with strong emotional intelligence and positive affect approach can build more positive relationships that can broaden their emotional understanding and risk taking strategies.

Loewenstein et al. (2001) stated that risky preference can not only be affected by predictable emotions but can also be affected by preventive feelings. Furthermore, these anticipatory feelings arbitrate the decision processes and connect with cognitive processes to mediate the alternatives. Damasio (1994) claimed in support that there are certain kind of stimuli that trigger emotions which in turn cause changes in body and brains. Likewise, bodily expressions such as facial expressions and heart beat etc encounter something and convey a message to the brain that reflects emotions. With the passage of time the stimulus and the response conditioned to each other and to past emotions and their consequential experiences. The conditioning of these linked experiences lead to biasness about future decisions and their outcomes (Dmasio, 1994). For example, when physiological signals catches a situation associated with positive outcome, the individual may feel positive about perusing certain behaviors. Similarly, individuals catching negative somatic markers may feel sad and would avoid inhibiting certain source of actions. Damasio claimed that all these responsive states are strengthened by past experiences and are more favorable to adopt.

From an analysis of the presented literature on decision making and risk behavior it is evident that prospect theory have contributed a lot to risky behaviors that involves tremendous results. People mostly rely on their own perception of benefit and risk while assessing options in decision making, and not essentially the real risks and benefits involved in making decisions. Moreover, perceived benefits and risks are usually affected by one’s own emotional situation. Risk exists, when possibility of negative outcomes or other losses connect with decision choices. Nevertheless, understanding one’s own emotions contribute to effective and proactive
management of feelings in the right place. It helps individuals not only in decision making but also to take the control of their lives in long run.

5.2 Practical implications

This study aims to facilitate managerial practice with few helpful connotations. It first suggests measuring the current level of emotional intelligence of the employees. This would not only help organizations for the recruitment in future but also will help them to identify the employees who need training in their prescribed areas. As Coetzee et al. (2006) agreed also to the fact that emotional intelligence can be improved with trainings. These well trained, emotionally intelligent people understand their emotions and work on continuous learning to build up their performances (Colvin, 1999). Although people feel challenged to take risky decisions but Bar-On (2007b) stated that this hesitant feeling can be removed through proper trainings and coaching which will help them to sustain their level of emotional intelligence. Training programs may also be less costly to train the current employees rather than recruiting new ones.

According to Cox, (1999), Nel and De Villiers (2004), Queck (1999) and Williams (2000), Call centers around the globe has witnessed a growing need for rapid turnaround and to provide the best quality services. Call center is a place where people make telephonic calls to provide services, maintain the customer relationships or to acquire new businesses rather than meeting someone personally. People working in a contact center must be briefed about the importance of emotional intelligence. As Coetzee et al. (2006) stated that it is a trait of emotionally intelligent people that they can process information sensibly, cognitively and competently, and make informed choices and achieve themselves. Following capabilities can be found in contact center employees if they can govern their emotions:

- Success and productivity.
- Reduced stress.
- Good peer relationships.
- Networking across channels
- Reduced sick leaves.
• Job satisfaction.

EI influences all part of one’s life (private and professional) along with its effects on decision making process, interactive, behavioral and interpersonal skills. As behavioral decision making theory has stated that valuation of perceived risk can be minimized by maximizing the perceived returns which is only possible when individuals demonstrate richness in emotionally.

5.3 Limitations and Future research

Finding of this study can serve as basis for future research however these findings may be industry or context specific. To increase the significance of findings on the relationship between EI and the risky behavior with affectivity as mediator between both variables, further study is recommended in different sectors of Pakistan. The scholar didn’t have any funding or resources to conduct this research on a large scale. Further accuracy in the results can be achieved if some resources or monetarily grant is available which will provide strict strategies for management.

Another limitation is the reliability for negative affect satisfaction which is lower than the conventional standards (for NA: $\alpha = .69$) but is near to acceptable standard (.70). This reliability issue can further be adjusted by deleting the poor items or just changing the context. As Field (2009) stated that reliability always depend on the type of the construct that one measures as it is a measure of internal consistency, where an alpha level of 0.50 can be accepted mostly in the field of psychology.

Future research on the prescribed model can be used by adding other variables that can possibly affect this defined relationship. Case study method can also be beneficial to carry out further research in the same field. This study is based on cross-sectional data design and this design is selected to get accurate results while measuring human behavior. Precise results can also be acquired by analyzing large sample size of data. Moreover, the controlled demographics make sense in Pakistani socio-economic context but their effect can also be checked on the variables in further studies.
5.4 Conclusion

Despite of some limitations, how and to what extent emotional intelligence influences risky behavior of employees not only in the work place but also in daily life; this study answers the questions postured in the beginning. This study also helps to understand the relationship of affectivity (positive and negative) with emotional intelligence and risk taking behavior and tells us how affectivity mediates between both variables. Furthermore, practical implications are proposed for the managers to get utmost benefit from the results of present study. Result of this study is highly useful for training of employees in challenges that employees face while they interact with customers and controlling their sentiments to maintain the quality of services which ultimately affects the productivity of an organization.
6 REFERENCES


Boussard, Jean Marc and Michel Petit (1967). Representation of farmers behaviour under certainty with a focus loss constraints.pg, 869-880.


Salovey, Peter and Mayer, John (1990) “Emotional Intelligence”, Imagination, Cognition and Personality, Vo. 9, pp.185-211


### APPENDIX 1: EVIDENT STUDIES

*Emotional Intelligence* (EI) is one of the emerging concepts in organizational and social psychology in the context of affective revolution.

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<tr>
<th>Study</th>
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<td>Barsade &amp; Gibson, (2007)</td>
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<td>EI is the study of the emotions from their arousal to the decision taken during any particular affective state. In decision making, emotions and affect play a significant role.</td>
<td>Damasio (1994) \nKahneman &amp; Frederick, (2002) \nSlovic et al., (2004) \nSalovey and Mayer (1990)</td>
</tr>
<tr>
<td>Experience of life marked <em>by positive and negative feelings</em> which in turn help people of being risk averse or risk taker. People who are emotionally intelligent successfully cope with demands of daily life.</td>
<td>Bar-On (2000) \nDamasio (1994)</td>
</tr>
<tr>
<td>Research in a services sector proposes that employees’ showing of emotions can influence customers’ emotional states. Thus, emotionally intelligent individuals accurately perceive emotions and use sophisticated approach for decision making.</td>
<td>Hennig et al. 2006 \nSalovey &amp; Mayer 2001</td>
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APPENDIX 2: TIME 1 QUESTIONNAIRE

University of Oulu, Finland

Dear Respondent,

I am a research scholar at University of Oulu, Finland. I am working on my master’s thesis. My current research deals with the impact of Emotional Intelligence on Risky Behaviour of employees of call center, with mediating role of positive and negative affect. You could help me by filling out this questionnaire. I assure you that any information obtained will remain highly confidential and only I will have the access to the collected information. There are no trick question, neither are there any right or wrong answers. Therefore, kindly answer ALL questions as honestly and accurately as possible. I once again thank you for your help and cooperation in this research endeavor.

Yours truly,
Iqra Sadaf Khan
iqrasadafkhan@gmail.com

The following statements concern your perception about emotional intelligence. For each item of the statements below, please indicate the extent of your agreement and disagreement by ticking (√) the appropriate number.

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<th>1=strongly disagree</th>
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<th>3=slightly disagree</th>
<th>4=slightly agree</th>
<th>5=agree</th>
<th>6=strongly agree</th>
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</table>

(A1) I have a good sense of why I have certain feelings most of the time.

1  2  3  4  5  6

(A2) I have good understanding of my own emotions.

1  2  3  4  5  6

(A3) I really understand what I feel.

1  2  3  4  5  6
(A4) I always know whether or not I am happy.
1 2 3 4 5 6

(O5) I always know my friends’ emotions from their behavior.
1 2 3 4 5 6

(O6) I am a good observer of others’ emotions.
1 2 3 4 5 6

(O7) I am sensitive to the feelings and emotions of others.
1 2 3 4 5 6

(O8) I have good understanding of the emotions of people around me.
1 2 3 4 5 6

(U9) I always set goals for myself and then try my best to achieve them.
1 2 3 4 5 6

(U10) I always tell myself I am a competent person.
1 2 3 4 5 6

(U11) I am a self-motivated person.
1 2 3 4 5 6

(U12) I would always encourage myself to try my best.
1 2 3 4 5 6

(R13) I am able to control my temper and handle difficulties rationally.
1 2 3 4 5 6

(R14) I am quite capable of controlling my own emotions.
1 2 3 4 5 6

(R15) I can always calm down quickly when I am very angry.
1 2 3 4 5 6

(R16) I have good control of my own emotions.
1 2 3 4 5 6
PLEASE CHECK ONE RESPONSE FOR EACH ITEM THAT BEST INDICATES HOW YOU FEEL ON AVERAGE.

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<td>(N22) Guilty</td>
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<tr>
<td>(N23) Scared</td>
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<td>(N24) Hostile</td>
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<tr>
<td>(P25) Enthusiastic</td>
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<tr>
<td>(P26) Proud</td>
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<td>(N27) Irritable</td>
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<tr>
<td>(P28) Alert</td>
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<tr>
<td>(N29) Ashamed</td>
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<tr>
<td>(P30) Inspired</td>
<td>1 2 3 4 5</td>
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<tr>
<td>(N31) Nervous</td>
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<td>(P32) Determined</td>
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<td>(P33) Attentive</td>
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<td>(N34) Jittery</td>
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<tr>
<td>(P35) Active</td>
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</table>
Please fill/tick (✓) the following with appropriate answer.

Gender: Male    Female    Age:___________    Designation:___________

How long have you been working with this organization: ______________

What is your total work experience: ______________

Highest Qualification _________________________

Job Nature: Field work    Office work    Technical    Staff    Managerial

Monthly Income: Below 15,000    16-30,000    31-45,000    46-75,000    Above 76,000

Name: ____________________________

Cell no. (Optional) _________________________

Email _________________________________
APPENDIX 3: TIME 2 QUESTIONNAIRE

University of Oulu, Finland

Dear Respondent,

I am a research scholar at University of Oulu, Finland. I am working on my master’s thesis. My current research deals with the impact of Emotional Intelligence on Risky Behaviour of employees of call center, with mediating role of positive and negative affect. You could help me by filling out this questionnaire. I assure you that any information obtained will remain highly confidential and only I will have the access to the collected information. There are no trick question, neither are there any right or wrong answers. Therefore, kindly answer ALL questions as honestly and accurately as possible. I once again thank you for your help and cooperation in this research endeavor.

Yours truly,

Iqra Sadaf Khan
iqrasadatkhan@gmail.com

The following statements concern your perception about your uncertainty avoidance on work place. For each item of the statements below, please indicate the extent of your agreement and disagreement by ticking (√) the appropriate number.

<table>
<thead>
<tr>
<th>1=strongly disagree</th>
<th>2=disagree</th>
<th>3=slightly disagree</th>
<th>4=neutral</th>
<th>5=slightly agree</th>
<th>6=agree</th>
<th>7=strongly agree</th>
</tr>
</thead>
</table>

(U1) I prefer work that has detailed standard operating procedures spelled out.

(U2) It is better to have job requirements and instructions spelled out in detail so that employees always know what they are expected to do.

(U3) I prefer work that is highly structured.

(U4) I prefer to work for supervisors who expect employees to closely follow instructions and procedures.

(U5) Rules and regulations are important because they inform employees what the organization expects of them.
For each of the following statements, please indicate your likelihood of engaging in each activity or behavior. Provide a rating from 1 to 5, using the following scale:

<table>
<thead>
<tr>
<th>Rating</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Very unlikely</td>
</tr>
<tr>
<td>2</td>
<td>Unlikely</td>
</tr>
<tr>
<td>3</td>
<td>Not sure</td>
</tr>
<tr>
<td>4</td>
<td>Likely</td>
</tr>
<tr>
<td>5</td>
<td>Very likely</td>
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</table>

(Bi6) Investing 10% of your annual income in a moderate growth mutual fund.

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(Bs7) Disagreeing with your parents on a major issue.

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(Bg8) Betting a day’s income at a high stake poker game.

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</table>

(Br9) Chasing a tornado or hurricane by car to take dramatic photos.

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(Be10) Forging somebody’s signature.

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(Be11) Passing off somebody else’s work as your own.

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(Br12) Going on a vacation in Europe/USA without prearranged travel and hotel accommodations.

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(Bs13) Arguing with a friend about an issue on which he or she has a very different opinion.

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(Br14) Going down a ski run that is beyond your ability or closed.

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</table>

(Bi15) Investing 5% of your annual income in a very speculative stock.

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(Bg16) Betting a day’s income on the outcome of a sporting event (e.g. baseball, soccer, or football).

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</table>

(Bi17) Investing 5% of your annual income in a conservative stock.

| 1 | 2 | 3 | 4 | 5 |
(Bs18) Wearing provocative or unconventional clothes on a social occasion.

1  2  3  4  5

(Bh19) Not wearing a seatbelt when driving a car or sitting in the front seat.

1  2  3  4  5

(Bi20) Investing 10% of your annual income in government bonds (treasury bills).

1  2  3  4  5

(Br21) Periodically engaging in a dangerous sport (e.g. mountain climbing or sky diving).

1  2  3  4  5

(Bh22) Not wearing a helmet when riding a motorcycle.

1  2  3  4  5

(Bs23) Defending an unpopular issue that you believe in at a social occasion.

1  2  3  4  5

(Bh24) Walking home alone at night in a somewhat unsafe area of town.

1  2  3  4  5

(Bh25) Regularly eating high cholesterol foods.

1  2  3  4  5

#Please fill/tick (✓) the following with appropriate answer.

**Gender:** Male   Female   Age: ___________   **Designation:** ______________

**How long have you been working with this organization:** ___________

**What is your total work experience:** __________

**Highest Qualification** ______________

**Job Nature:** Field work   Office work   Technical   Staff   Managerial

**Monthly Income:** Below 15,000 16-30,000 31-45,000 46-75,000 Above 76,000

**Name:** __________________________

**Cell No. (Optional)** __________________________

**Email** __________________________