

THE IMPACT OF EMOTIONAL INTELLIGENCE ON QUALITY OF SERVICE IN SAUDI BANKS

By

RAYAN ALAMOUDI

Table of Contents:

Introduction.....	3
Literature Review.....	4
Emotional Intelligence: Concept and Theory.....	4
Service Quality in Banking: Concept and Measurement.....	5
Linking Emotional Intelligence to Quality of Service.....	7
Methodology.....	9
Results.....	12
Discussion.....	15
Conclusion.....	19
References.....	21

Introduction

In today time, banking work is very hard because so much competition, special in Saudi Arabia. If bank want to grow and not fail, they need to give good service to customer. Service quality mean what customer think will happen vs what really happen when they get service (Al-Fawzan, 2005). If bank give same or better than what customer expect, then service is good and customer happy. But good service not just come from machine or system – also come from peoples who work in bank. Now, many peoples talking about Emotional Intelligence (EI). It mean person can understand feeling – own feeling and other peoples feeling too – and use that to do thing better (Salovey & Mayer, 1990). In bank, staff talk to customer direct – sometimes customer is angry or sad. So if staff have good EI, they can handle this better and customer feel more happy. Many study in other countries say EI help give better service. In Pakistan, one study say staff with high EI give better quality in bank where service is very important (Naeem, Saif and Khalil, 2011). Also in Ghana, study say staff who have more EI give better service and customers feel more satisfy (TJPRC Publication, 2014). But in Middle East, and in Saudi specially, not many study done on this. Some study check EI with manager job or other thing, but not much on bank service. So this study want to see how EI change service quality in Saudi bank. Big question is – if bank staff have more emotional intelligence, will customer think service is better? This research want to find out and help both idea and real life. Maybe if bank train staff in EI, they give better service to people. In next parts, paper will follow same plan like original. First, talk about old research on EI and service, like Goleman model and SERVQUAL. Then tell how study was done (like sample, tools etc.). Then come the results and what they mean. At last, the paper will give ending with summary and what Saudi bank can do to make service better with EI.

Literature Review

Emotional Intelligence: Concept and Theory

Emotional intelligence is idea from psychology. It come when researchers see that some peoples with normal IQ do better than high IQ peoples in job and also in life. EI mean you can understand your own feelings and also other peoples feelings (Salovey & Mayer, 1990). They say it is type of social brain – like, if you can watch your emotions and also other person emotions, then you can use that to think better and act better. Simple way, if you know what you and others feel, you can do smart things. Person with EI stay calm when problem come, and also care about other peoples, and make good choices. One famous person, Daniel Goleman, talk

about EI in his book in 1995. He say EI is same important or even more than IQ for success in job and in life. Later, in 1998, he make a model of EI for workplace. He say 5 big parts of EI are: self-awareness, self-regulation, motivation, empathy, and social skills.

Self-awareness mean you know what you feel and why. If you have this, you know what you good at and what you not good. Self-regulation is when you can stop yourself from angry or do bad thing fast. You can control your mood. Motivation mean you work hard because you love the work, not just for money. Even if you fail, you try again. Empathy is when you can feel what other person is feeling and care about it – very helpful to understand customer. Social skills mean you can talk to peoples nice, make friends, and work good in team. You also can help others or solve fight. Goleman say if person is good in this 5 things, they work better, special in job where you talk to peoples a lot. Like, manager with self-awareness feel strong and get respect. Bank worker with empathy and social skills can talk nice with angry customer and fix problem fast. Other peoples also make different models. One guy, Reuven Bar-On, talk about EQ – Emotional Quotient. He say it have many parts like stress control and feeling happy, and it help you live good life. Mayer and Salovey later make 4 branch model: (1) see emotions, (2) use emotions to think better, (3) understand emotions, and (4) control emotions. Even if models not same, all agree EI is skill and people can learn it with time and practice. Company now like to teach EI to staff because it help with team, boss work, and also customer service. One study say training can really improve EI (Beigi and Shirmohammadi, 2011). So, EI is like people smart. Goleman say it have 5 parts that help in job. In bank, if staff have EI, they can stay cool when customer is mad, they can understand customer, and use good talk to solve problem. This show maybe if person have good EI, they can give better service. In next part, we talk about what service quality mean in bank and how to check it. Then we see how EI and service maybe work together.

Service Quality in Banking: Concept and Measurement

Service quality is very important idea from long time in marketing and business study. Special for places like banks where all banks give same type of service, so only good service can make one bank better than other. Service quality mean how much customer think the service is good, like if it match what they hope. If service is better than they think, then quality is high. If not good like they want, then quality is low. Not like product, service is not touchable. You cannot see or hold it. Also, it happen at same time with people, so it is more hard to check quality. So, it mostly depend on how customer feel when they get the service.

In 1980s, 3 peoples – Parasuraman, Zeithaml and Berry – make one model to measure service quality. It call SERVQUAL. This model have 5 main points (they call it “dimensions”) that are important for all type of service. These 5 are: Tangibles, Reliability, Responsiveness, Assurance, and Empathy.

- Tangibles mean the look and feel of place – like how clean is bank, if staff look professional, if chairs are nice, etc.
- Reliability is about doing what you promise. Like, if bank say they do something fast or correct, they really do it.
- Responsiveness mean if staff help fast and ready to support customer. If customer ask question or have problem, they answer quick and with good attitude.
- Assurance mean how much staff know about their work and if customer trust them. Like, if worker is polite and knows about money stuff, customer feel safe.
- Empathy is how much staff care about customer and treat them nice, like a person not just number. If worker understand what customer feel and need, that is empathy.

To check this model, bank can ask customer many questions – like what they expect and what really happen. Then they minus real from expect to see the “gap”. If gap is big, it mean problem in that area. For example, if customer want fast help but they get slow, that mean bad responsiveness. In Saudi Arabia, this is very useful. Banks now are modern, and customer want good service. One study by Udjo (2020) say that all 5 things in SERVQUAL are important for Saudi people. Like, they care how clean bank is, if staff respect them, and if help come fast. If bank do good in all 5, customer become happy. Happy customer stay long time, tell other people good things, and trust the bank. But it is not easy to always give high quality. This is becose service come from humans. Human have good day and bad day. If staff feel stress or angry, maybe they don’t talk nice or do mistakes. So, the people part is big. And here, emotional intelligence (EI) can help. If worker have good EI, they maybe stay calm, understand customer feeling, and talk polite. Even if system is same, person with EI can give better service. So, in short – service quality in bank have many parts, both what you see and what you feel. The SERVQUAL model help check this. In Saudi banks, service quality is very important for success. And in next part, we see how emotional intelligence maybe help improve this quality – like, if worker have empathy or confidence, they give better service. We also look at other study that check EI and service together.

Linking Emotional Intelligence to Quality of Service

From the above meaning, it make sense to think that when worker have more emotional intelligence (EI), they maybe give better service to customer. EI help worker with skills like empathy, control feeling, and talking nice with others – all of this is important in customer service. For example, if bank worker have high EI, even if customer line is long and peoples are angry, he still stay calm and smile. He don't show angry face. Also, he can understand if customer look confused or upset, and maybe ask softly if they need help. He not just do same for everyone – he change how he talk based on customer feeling. All this is part of service quality like empathy (care for customer), responsiveness (help fast), assurance (look confident and polite), and even reliability (because EI person maybe make less mistake). So, EI help in soft part of service quality. Many researcher check this idea. More and more study say there is good link between EI and better service. One study in Pakistan by Naeem et al. (2008) look at 2 banks – one foreign and one local. They check how much EI workers have, and how happy the customers are. In the foreign bank, where service is important, the workers who have high EI also have customers who say service is good. So, the study say EI is strong reason why service quality is high. It also say if company train workers to have better EI, maybe customer will be more happy. But in the local bank (that not care much about service), the link was small. This show that even if person have EI, they still need good work culture to show it.

One more study from Ghana by Danquah and Wireko (2014) look at different parts of EI – self-awareness, control, empathy (they call it social awareness), and social skills. They see how these things change customer service. They find all of them help service to be better. But the biggest one is social skills – people who can talk nice, solve fight, and make good relation. This help customer feel good. Self-awareness (knowing yourself) not show much help alone. Maybe becose customer don't see it, or it only help inside. So, they say banks should train workers in all EI, but focus more on social skills and empathy. Another study from Iran by Beigi and Shirmohammadi (2011) check if training for EI make any change. They train bank workers and then see what happen. After training, EI go up and also service quality go up – like better empathy, faster help, more polite talk. So this show not just connection, but also that EI training can really cause better service.

But not all study say yes. One study from Saudi by Alriwali (2019) check EI and job performance for bank managers. It not find big link. But maybe becose manager not talk with customers – they just do office work. So, EI maybe not so helpful in back office. But for front desk and customer workers, most study say EI is good. Also, in Saudi culture, where respect and kindness are very important, EI can help even more. If worker talk

soft, smile, and listen, customer feel good – and that match Saudi values. So in general, all this research show good idea: when bank worker have good emotional intelligence, they give better service. They help customer nice, fix problem good, talk better, and make customer more happy. That's why this study want to test same idea in Saudi banks. We think EI will make service better, and maybe empathy and social skill are the most important parts.

Methodology

How We Did the Study

This research use numbers and survey to study how bank worker's emotional intelligence (EI) affect service quality in Saudi banks. We take answers from both workers and customers, to get two sides – workers tell about their own EI, and customers tell how good the service was. Below we explain where we did the study, who answered, how we ask them, and how we check the answers.

Place and People

We did the study in big Saudi banks, in city area (like Riyadh). We choose workers who meet customer face to face – like tellers, service desk staff, and relation manager. Also, we ask their bosses. Then we ask customers who just finish service in same bank. So we can compare – if bank staff have high EI, do customer say service is also good?

We work with 4 bank branches who say okay to help us. These branches are from different banks, and all have many customers. We collect data from 50 workers and 200 customers. We ask 60 workers, 50 answer (some on leave or don't want). 60% of workers were male, 40% female. They work average 5.4 years. For customers, we stop them after they finish in bank, and ask to do short survey. We choose them random at different times. 200 people say yes (out of 300), so response was about 67%. 55% were male, 45% female, and age 18–65 (average ~34). We did not ask nationality – both Saudi and foreign people can join.

What We Ask

We use two tools: one for EI (for workers), one for service quality (for customers).

For EI, we use questions from famous EI scales – like Goleman's and Wong-Law scale. It have 25 questions, 5 for each part of EI: self-awareness, self-control, motivation, empathy, social skills. Example: "I stay calm under pressure" (self-control) or "I like to build good relations with customer" (social skill). Workers choose from 1 (strongly no) to 5 (strongly yes). We take average for total EI and also each part. This form had good reliability ($\alpha = 0.88$). We give English and Arabic version. 30% use Arabic.

For service quality, we use SERVQUAL – the 5 points: Tangibles, Reliability, Responsiveness, Assurance, Empathy. We make easy questions for customer to understand. Example: "The bank was clean and nice" (tangibles), "They did my transaction correct" (reliability), "They helped me fast" (responsiveness), "They made me feel safe" (assurance), "They cared about my problem" (empathy). All are 1 to 5 scale. We don't ask about expectations because hard to do in real time – we only ask what they feel just now. We also add one question: "Are you happy with service today?" to check overall satisfaction. The service form had 20 questions (4 for each dimension), and high reliability ($\alpha = 0.91$). Most people (85%) use Arabic version.

Privacy and Ethics

We don't take names. Workers put their EI answers in box, so manager don't see. Customers also answer without name – we just ask age, gender. Each paper has code number for branch and time. We got permission from university and from bank bosses. We told all people their answers are private and for study only.

How We Check the Data

After we collect answers, we match data by branch. We calculate average EI of staff in each branch, and average service score from customers in same branch. So we get 4 points (one per branch) – not big sample, but still useful. We also check at personal level – for example, if worker with high EI work in branch with high service score, that mean maybe connection is there. We also divide staff into high EI and low EI group (top 25% and bottom 25%) and compare how customer rate their service. Sometimes, customer say which worker help them, or we see it, so we know who serve them (about 100 cases). In those, we match customer score to that worker's EI score. We use SPSS software to do numbers. First, we check average and reliability. Then we do Pearson correlation to see if EI and service are connected. For the 100 matched pairs, we do regression – see if higher EI mean better service. Also, we do t-test to compare high EI vs low EI groups. We use $p < 0.05$ to say if result is strong. We know this method is not perfect – branch sample is

small, and not all customers matched to staff. But it still shows useful ideas. Because we ask workers and customers separately, and keep answers private, we reduce bias. This helps make results more trustworthy.

Results

What We Found in the Study

After we collect and study the answers, we got some interesting results about workers' emotional intelligence (EI) and how good the service was in Saudi banks. In this part, we show the results step by step. First, we talk about some basic numbers (average EI and service rating). Then we show the main result – is high EI really giving better service or not? We also look if some parts of EI are more helpful. All this is to check if our idea was true: more EI = better service.

Descriptive Results

First, we see how workers rate their own EI. On a 5-point scale, average EI score was 4.01. That is high – most workers feel they are good at emotions. The highest score was for social skills (average 4.20), and lowest was for self-awareness (3.80). Maybe some workers not sure about their own feelings or don't notice it so much. Empathy and control (self-regulation) were around 4.0, and motivation was also strong (4.1). One person had very low EI (2.9) – they say they have trouble staying calm or understanding others. But most people are near 4+, maybe because they are good with people, or maybe because people like to think they are good.

Customer ratings were also good. On the same 5-point scale, average service rating was 4.15. So, most customers say service was nice. Among 5 parts of service: Assurance (like trust in staff) was highest (~4.3), then Tangibles and Reliability (~4.2). Responsiveness was 4.0, and Empathy was lowest (~3.9). Some customers say service was fast but a bit cold or robotic. Like, no smile or care feeling. One person even wrote "Staff was fast but didn't smile or make eye contact."

EI and Service: Are They Connected?

Now the main part – we check if workers with more EI give better service. First, we look at branch level. There are 4 bank branches. We compare average EI score of workers in each branch to average service score from their customers. We find that when staff EI was high, customer rating was also high. Correlation (r) was 0.87 – very strong! But because we only have 4 points, we can't say it is statistically big ($p = 0.13$), but still it look like big trend.

Then we look at individual level. For ~100 worker–customer pairs (where we know who helped who), we run regression. It show that if EI goes up by 1 point, service score go up by 0.45 points. That is big jump. Correlation was $r = 0.30$ ($p < 0.01$). So when emotionally smart worker help a person, they get better rating.

We also check which part of EI is most useful. Empathy and social skills were best. Empathy score of worker had $r = 0.33$ with customer's feeling of care. Social skill had $r = 0.35$ with overall satisfaction. Both $p < 0.01$. But self-awareness had no connection ($r \sim 0$), and self-control had small link ($r = 0.15$, p not big). Motivation had small effect too ($r = 0.20$, $p = 0.06$). So, outside-facing skills help more than inside skills.

To make it simple, we divide staff in two groups – High EI (top 12 workers, $EI \geq 4.5$) and Low EI (bottom 12 workers, $EI \leq 3.5$). Customers who got help from High-EI workers gave service score of 4.40. Low-EI workers got 3.85. That's 0.55 difference on 5-point scale. We do t-test and it show $p < 0.01$ – this is big difference. So yes, emotional workers give better experience.

Extra Things We Noticed

Some feedback from customers match the numbers. One person say “The lady who helped me was so kind and patient.” That worker had highest empathy score. Another person say “The guy didn't smile and look tired.” His EI was low in control and social skills.

No opposite result found – all signs say EI is good for service. We also check if maybe happy customer always give high rating, but we choose people random, so it balance out. One small surprise: workers with high EI also say they are more happy in job. Maybe because they handle stress better.

Discussion

What The Result Mean

This study show that emotional intelligence (EI) really help in giving better service, specially in Saudi banks. In this part, I explain what the result mean, what can be learned, what maybe caused this, what banks can do, and also talk about problems in study and what futre research can do better. I keep it simple like how a student would talk about their own research, not super formal.

EI and Service Go Together

We saw a good connection between staff who have high EI and customers who say service is good. This is same like what Naeem et al. (2008) found in Pakistan, and also like what Danquah & Wireko (2014) saw in Ghana. Our result add one more proof – now from Saudi. So, in many countries, when bank worker know how to control and understand feelings, customer is more happy. It show that soft skills – like how you treat someone – matter just like hard skills (like processing a loan).

Goleman was right – in job like banking, how you give service (with smile, care, patience) is as important as what you do. For example, when customer look confused, an empathetic worker will slow down, explain more nicely. A worker with no empathy maybe just say same script and move on. Over time, this small difference become big – customer remember who treat them with care.

Which EI Part Help Most?

In our result, social skils and empathy were most powerful. These help worker talk better, listen, and deal with people. Customers feel it directly. Social skill mean you smile, explain well, act friendly, fix problems calmly – all this make customer feel good. These skills help with many SERVQUAL areas like Assurance, Empathy, and Responsiveness.

But self-awareness didnt show strong effect. Maybe because it is inside thing – if you are aware of own feeling, it help you stay calm, but customer don't see that directly. It help in background, not in front. So it's still useful, just not something customer rate.

Why It Matter for Bank

If EI help servise, then it also help customer be happy, maybe stay longer with bank. We didn't check loyalty in this study, but other studies say: good service = happy customer = loyal customer (Franklin, 2020). In Saudi where banking is competitive, this is big deal. If one bank make customer feel better, they might not go to other bank. So, EI is not just “nice to have,” it can be part of smart business strategy.

What Banks Can Do (Practical Tips)

- Hiring: Banks can ask questions in interview that check empathy and people skills. Like, give them fake angry customer and see how they act.
- Training: EI can grow. Teach workers how to listen better, manage stress, handle complaints. Use roleplay, give feedback. Just like Beigi & Shirmohammadi (2011) did in Iran.
- Culture: Bank should support staff who act with empathy and care. Say “good job” when someone calm angry customer. Don't make work only about speed and sales. If only numbers matter, people may stop being humman. We saw empathy score was lowest – maybe because staff too busy, or think speed more important than personal touch. That can change with better work culture.

Saudi Culture Side

In Saudi, people respect kindness and warm talk. Some think all Saudi staff are naturally good at this, but not always true. Bank work is hard, and not everyone act with care unless trained. Our data show difference – some staff were very good, others less so. We had both Saudi and foreign staff, and both had high and low EI – so this is not only culture thing, it's human thing. Still, how EI shows can depend on culture.

Limitations

We be honest – this study not perfect.

- Only 4 branches, 50 workers. That's small. Bigger study with more banks and cities would be better.

- We couldn't match all customer to specific worker. Sometimes we guess based on time or name. Next time, maybe give ID or name tag to link clearly.
- EI was self-rated. People maybe say they are better than they are. They want to look good. Next time, maybe get boss or coworker to rate them too (like 360 feedback).
- This was cross-sectional (we check everything same time). We think EI cause good service, but maybe also good service makes staff feel better. A training study would show cause better.

What Next - Future Research

Future study can:

- Compare Islamic vs normal banks, big vs small, city vs village.
- Study EI of managers – maybe good boss create good service culture.
- Do long study – before and after training to really prove EI help.
- Study customer's EI – maybe some customers are hard to please no matter what.
- Focus on hard situation – like what happen when card gets blocked or loan rejected. That's when EI really shows.

Conclusion

This study try to see if emotional intelligence (EI) help give better service in Saudi banks. We read about Goleman EI model and also SERVQUAL modal for service quality, and then we did survey in 4 bank branch. The results show that when workers have more EI, like empathy and social skills, the customers feel more happy and say service was better. So if worker can understand feeling and talk nice, they give better service. This match what other research say in Pakistan and Ghana also. Customer not only care about fast work, but also how worker treat them. Like if customer look confuse and worker take time to help and explain nice, that feel like good service. The data show people who have better EI usually get better feedback from customers.

Banks in Saudi can use this by hiring people who already good with people, or by training staff to improve emotional skills. Training not need to be big, even small workshop can help them listen better and stay calm with angry customer. Also, if manager act with respect and patience, other staff will follow. But our study not perfect. Only 4 branches and 50 staff is small, and EI was self-rated so maybe not always true. More research needed, with more banks or testing after training. But even now we see that EI is important. It help customer and also help worker feel better at job. Service is not just doing task fast, it is also about connection. No machine can do that same. So if bank want better service, they need to train people not just in system, but also in how to deal with people.

References

Al-Fawzan, M.A. (2005) Assessing service quality in a Saudi bank.

<https://doaj.org/article/8eebea132a2a4fa9991c0aad2ea37150>.

Naeem, H., Saif, M.I. and Khalil, W. (2011) 'Emotional intelligence and its impact on service quality Empirical evidence from the Pakistani banking sector,' International Business & Economics Research Journal (IBER), 7(12).

<https://doi.org/10.19030/iber.v7i12.3313>.

Beigi, M. and Shirmohammadi, M. (2011) 'Effects of an emotional intelligence training program on service quality of bank branches,' Managing Service Quality, 21(5), pp. 552–567.

<https://doi.org/10.1108/09604521111159825>.

TJPRC Publication (2014) 'THE IMPACT OF EACH ELEMENT OF EMOTIONAL INTELLIGENCE ON CUSTOMER SERVICE DELIVERY: a CUSTOMER SATISFACTION PERSPECTIVE,' www.academia.edu [Preprint].

https://www.academia.edu/7340122/THE_IMPACT_OF_EACH_ELEMENT_OF_EMOTIONAL_INTELLIGENCE_ON_CUSTOMERSERVICE_DELIVERY_A_CUSTOMERSATISFACTION_PERSPECTIVE.

Franklin, U.E. (2020) 'The impact of service quality on satisfaction of bank customers: the Saudi Arabian case,' International Journal of Academic Research in Business and Social Sciences, 10(8). <https://doi.org/10.6007/ijarbss/v10-i8/7624>.