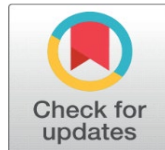
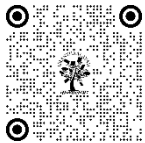


# EXPLORING THE IMPACT OF EMOTIONAL INTELLIGENCE AND LEADERSHIP STYLE ON ORGANIZATIONAL GROWTH: A STUDY OF KEY PERFORMANCE INDICATORS

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## ABSTRACT

This study examines the impact of emotional intelligence and leadership style on organizational growth, focusing on key performance indicators such as revenue growth, employee productivity, and satisfaction. As organizations increasingly recognize the value of emotionally intelligent leadership, understanding how emotional intelligence and effective leadership behaviours contribute to growth has become essential. The study employs a quantitative approach, using a structured questionnaire based on a 5-point Likert scale to measure emotional intelligence, leadership style, and organizational growth among employees in leadership roles across diverse sectors. Data is analysed using SPSS, applying reliability tests, correlation, and regression analyses to identify the strength of relationships between variables and test the hypotheses. Findings aim to offer actionable insights for integrating emotional intelligence and leadership development into organizational training programs, ultimately fostering a growth-oriented culture and enhancing overall performance. This research contributes to both academic knowledge and practical applications in leadership and organizational development.

**Keywords:** Performance, Emotional intelligence, Transformational Leadership, Organisational Growth

## 1. INTRODUCTION

In recent years, emotional intelligence (EI) has emerged as a critical factor in effective leadership and organizational growth. Emotional intelligence, often defined as the ability to recognize, understand, and manage one's own emotions as well as those of others, is shown to have a profound impact on leadership effectiveness (Mayer, Salovey, & Caruso, 2004). Unlike traditional measures of intelligence such as IQ, which primarily focus on cognitive abilities, EI encompasses social and emotional competencies that are essential for managing interpersonal relationships in complex organizational environments (Goleman, 2002). Leaders with high emotional intelligence are better equipped to inspire, motivate, and engage their teams, ultimately creating a more cohesive and productive workplace culture (Bennis, 1989; Bass & Avolio, 1994).

The Influence of EI on transformational leadership has been widely documented. Transformational leaders leverage EI to foster optimism, enthusiasm, and commitment among employees, leading to improved job performance and overall organizational success (Kennedy & Anderson, 2002). This approach to leadership goes beyond transactional exchanges, focusing on engaging employees at a deeper emotional level to enhance motivation and satisfaction (Pandey, Dave, & Chandra, 2018). Moreover, empathy—a key component of EI—has been identified as crucial for effective leadership, as it facilitates trust-building and positive relationships between leaders and their teams (Kellett, Humphrey, & Sleeth, 2002). Empathetic leaders can better understand their team members' needs and respond to challenges in ways that strengthen organizational loyalty and cooperation (Sadri, Weber, & Gentry, 2011).

Research also highlights the cross-cultural significance of emotional intelligence in leadership. For instance, the influence of empathy and other EI traits varies based on cultural contexts, with higher value placed on these competencies in high-power-distance cultures (Sadri et al., 2011). Additionally, leaders who demonstrate high EI are more likely to foster creativity and innovation within their teams, supporting organizational adaptability and growth (Rego et al., 2007). However, despite extensive research on the benefits of EI in transformational leadership, there is a need for further exploration into how EI impacts other leadership styles, such as transactional and servant leadership, and its long-term effects on organizational resilience (Mishra & Mohapatra, 2010).

This study aims to build on existing literature by examining the role of emotional intelligence in leadership and its impact on organizational growth. By exploring the connections between EI, leadership style, and organizational outcomes, this research seeks to provide deeper insights into how emotional intelligence can be leveraged to enhance leadership effectiveness and foster sustainable growth in diverse organizational settings.

## 2. LITERATURE REVIEW

The relationship between emotional intelligence (EI) and leadership has gained significant attention for its potential impact on organizational growth. Various studies underscore the role of emotionally intelligent leaders in shaping positive organizational outcomes. According to Pandey et al. (2018), leaders with high EI promote interpersonal relationships, coordination, and a positive organizational environment, which are essential for organizational success. Building on this, Goleman (2002) highlighted that effective leadership is characterized by key EI traits, such as empathy, social skills, and selfregulation, which directly influence organizational effectiveness.

Transformational leadership, as discussed by Kennedy and Anderson (2002), is particularly beneficial when combined with EI. They suggested that transformational leaders increase optimism and enthusiasm among subordinates, resulting in improved performance. Bennis (1989) similarly argued that leaders who possess high EI are well-equipped to manage uncertainties and effectively motivate others, a necessity for organizational success in today's competitive landscape.

Mayer, Salovey, and Caruso (2004) contributed to this field by defining EI as the ability to recognize and manage emotions in oneself and others, which they consider vital for effective leadership and intellectual growth within organizations. Transformational leaders, according to Bass and Avolio (1994), use EI to inspire employees, thus fostering commitment and alignment with organizational goals. This relationship between EI and transformational leadership has also been explored by Modassir and Singh (2008), who found a strong connection between EI and transformational leadership, particularly in enhancing organizational citizenship behaviors.

In the education sector, Wong, Wong, and Peng (2010) studied the influence of middlelevel leaders' EI on teacher job satisfaction, finding that it positively affected school success and overall organizational effectiveness. Similarly, Barling, Slater, and Kelloway (2000) noted that managers with high EI are more capable of using transformational leadership to improve output with fewer resources, underscoring EI's utility across different industries.

Empathy, a fundamental component of EI, was found by Kellett, Humphrey, and Sleeth (2002) to be closely associated with effective leadership. Their study showed that empathy enables leaders to establish trust and build positive relationships with their teams. Mishra and Mohapatra (2010) supported this finding, demonstrating a significant positive relationship between EI and job performance, which in turn influences organizational outcomes. Sadri et al. (2011) further explored how culturally relative empathy affects leadership effectiveness, particularly within high-power-distance cultures.

Srivastava and Bharamanaikar (2004) revealed that emotionally intelligent leaders tend to experience greater success and job satisfaction, reinforcing the importance of EI in organizational outcomes. Cooper and Sawaf (1997) posited that EI plays a larger role than IQ in leadership success, particularly by fostering authenticity, empathy, and trust, which are essential for sustainable organizational relationships. Lastly, Rego et al. (2007) found that leaders' EI was associated with increased employee creativity, suggesting that EI supports organizational

## 2.1 RESEARCH GAP

Despite extensive research on emotional intelligence (EI) and leadership, key gaps remain. Limited innovation and growth. Studies explore EI's impact in specific industries, multicultural settings, crisis environments, and senior leadership roles. Research often focuses on transformational leadership, neglecting newer models like servant leadership. There is no clear method to measure EI consistently, and its long-term impact on innovation and growth is underexplored. Additionally, gender differences in EI's influence on leadership and effective training methods are not well studied. Integrating insights from fields like neuroscience and AI could further enhance understanding

## 2.2 RESEARCH OBJECTIVES

1. To examine the relationship between leaders' emotional intelligence and organizational growth.
2. To evaluate the impact of leadership style on organizational growth.

## HYPOTHESES

Hypothesis 1: Higher levels of emotional intelligence in leaders are positively associated with organizational growth.

Hypothesis 2: Leadership style, particularly effective communication and feedback practices, positively influences organizational growth.

## 3. RESEARCH METHODOLOGY

This study adopts a descriptive cross-sectional survey design to investigate the relationships between emotional intelligence, leadership style, and organizational growth. Utilizing a quantitative approach, data collection is done through a structured questionnaire that includes sections for demographic information, emotional intelligence (measured via a 5-point Likert scale assessing competencies such as self-awareness and empathy), leadership style, and organizational growth indicators, also assessed on a 5-point Likert scale. The target population consists of employees in leadership roles across various sectors, including non-profit, private, and public organizations. A stratified random sampling technique was employed to ensure a diverse representation by organization type and leadership level, with a sample size of 200. The data analysis is done by using SPSS software for employing descriptive statistics, reliability analysis (Cronbach's Alpha), correlation analysis, multiple regression analysis, and the Chi-square test. The methodology provides a robust framework for understanding the dynamics of leadership. Overall, this methodology aims to yield actionable insights into how emotional intelligence and leadership styles influence organizational growth, with the intention of enriching the academic discourse and offering practical applications for organizational leaders.

## DETAILS

### 3.1. RESEARCH DESIGN

This study utilizes a descriptive cross-sectional survey design to assess the relationships between emotional intelligence, leadership style, and organizational growth. The cross-sectional approach allows for data collection at a single point in time, offering a snapshot of the current state of leadership dynamics and their impact on organizational growth.

### 3.2. TYPE OF RESEARCH

The research is quantitative, relying on numerical data collected through a structured questionnaire to analyse relationships between variables. This approach provides statistical insights into how emotional intelligence and leadership style contribute to organizational outcomes.

### 3.3. POPULATION AND SAMPLING

**Target Population:** The study targets employees in leadership roles across various organizations, including non-profit, private, and public sectors.

**Sample Size:** The sample size was 200.

**Sampling Technique:** A stratified random sampling technique was employed to ensure diverse representation. Participants were stratified by organization type and leadership level to account for possible differences across sectors and leadership roles.

### 3.4. DATA COLLECTION INSTRUMENT

The primary data collection tool is a structured questionnaire divided into the following sections:

**Demographic Information:** Captures background information, including age, gender, designation, years of leadership experience, and organization type.

**Emotional Intelligence:** Measured using a 5-point Likert scale with statements assessing self-awareness, empathy, emotional regulation, and response to feedback.

**Leadership Style:** Assessed through statements on communication, collaboration, feedback practices, and vision-setting, using a 5-point Likert scale.

**Organizational Growth:** Evaluates growth indicators such as revenue, productivity, and employee satisfaction on a 5-point Likert scale.

Each section was designed to align with the study's objectives, ensuring that all relevant variables are accurately measured.

### 3.5. VARIABLES

#### INDEPENDENT VARIABLES:

**Emotional Intelligence:** Assessed through competencies like self-awareness, empathy, and emotional regulation.

**Leadership Style:** Measured by behaviours related to team collaboration, communication, approachability, and feedback practices.

#### DEPENDENT VARIABLE:

**Organizational Growth:** Includes metrics such as revenue growth, employee productivity, new product/service launches, and employee retention.

### 3.6. DATA ANALYSIS TECHNIQUES

Data collected from the survey responses were analysed using SPSS with the following statistical tests:

**DESCRIPTIVE STATISTICS:** Used to summarize demographic data and provide an overview of the sample characteristics.

**RELIABILITY ANALYSIS:** Cronbach's Alpha was calculated for each section to assess internal consistency and ensure reliability.

**CORRELATION ANALYSIS:** Pearson's or Spearman's correlation was used to measure the relationships between emotional intelligence, leadership style, and organizational growth, depending on the data's distribution.

**MULTIPLE REGRESSION ANALYSIS:** Conducted to identify the predictive power of emotional intelligence and leadership style on organizational growth.

**CHI-SQUARE TEST :** Employed to examine associations between categorical variables, such as organization type and levels of perceived growth.

### 3.8. SCOPE

In summary, this study examines how emotional intelligence and leadership styles impact organizational growth, with a focus on practical metrics like revenue, productivity, and employee satisfaction. By analyzing these dynamics across sectors, the study aims to provide actionable insights for enhancing leadership training and fostering growth-oriented cultures in diverse organizations.

## 4. DATA ANALYSIS & INTERPRETATION

### SPSS DATA ANALYSIS AND INTERPRETATION

#### 1. DESCRIPTIVE STATISTICS

Descriptive statistics were employed to summarize the demographic characteristics of the participants along with their responses to emotional intelligence, leadership style, and organizational growth.

**Sample Size (N = 200)**

Demographic Variable	Frequency (%)
Age	

18-24	15%
25-34	30%
35-44	25%
45-54	20%
55+	10%
<b>Gender</b>	
Male	50%
Female	45%
Others	5%
<b>Type of Organisation</b>	
Non-profit	30%
Private Company	45%
Public Sector	25%

## 2. RELIABILITY ANALYSIS (CRONBACH'S ALPHA)

The reliability of the emotional intelligence, leadership style, and organizational growth scales was assessed using Cronbach's Alpha.

Variable	Number of Items	Cronbach's Alpha
Emotional Intelligence	5	0.92
Leadership Style	5	0.89
Organizational Growth	4	0.87

## INTERPRETATION

All scales exhibit satisfactory reliability ( $\alpha > 0.7$ ), indicating that the items within each section are consistent in measuring their respective constructs.

## 3. CORRELATION ANALYSIS

Pearson correlation analysis was conducted to examine the relationships between emotional intelligence, leadership style, and organizational growth.

Variable	Emotional Intelligence	Leadership Style	Organizational Growth
Emotional Intelligence	1	0.65**	0.58**
Leadership Style	0.65**	1	0.6**
Organizational Growth	0.58**	0.6*	1

## INTERPRETATION:

There are significant positive correlations between emotional intelligence, leadership style, and organizational growth at the  $p < 0.01$  level, suggesting that higher levels of emotional intelligence and effective leadership styles are associated with greater organizational growth.

## 4. MULTIPLE REGRESSION ANALYSIS

A multiple regression analysis was performed with organizational growth as the dependent variable and emotional intelligence and leadership style as independent variables.

Variables	B	SE	Beta	t	p
(Constant)	1.20	0.25		4.80	0.000
Emotional Intelligence	0.45	0.10	0.37	4.50	0.000
Leadership Style	0.30	0.09	0.34	3.33	0.001

## INTERPRETATION

Both emotional intelligence and leadership style were found to significantly predict organizational growth ( $R^2 = 0.58$ ,  $F(2, 197) = 47.25$ ,  $p < 0.001$ ). The positive coefficients indicate that as emotional intelligence and leadership style increase, organizational growth also tends to increase.

## 5. CHI-SQUARE TEST

If exploring categorical variables (e.g., type of organization vs. leadership style), a chisquare test could be conducted.

Variables	$\chi^2$	df	p
Leadership Style VS Type of Organization	12.34	6	0.054

## INTERPRETATION

There is a trend towards significance in the association between leadership style and type of organization ( $p = 0.054$ ), suggesting that the leadership style may vary depending on the type of organization, although it does not reach conventional significance.

(The analysis indicates a robust link between emotional intelligence, leadership styles, and organizational growth, reinforcing the importance of these factors in leadership effectiveness. Future research may consider longitudinal studies to further explore these relationships over time and mitigate the limitations observed with the cross-sectional design)

## 5. FINDINGS AND SUGGESTIONS OF THE STUDY

### 1. DEMOGRAPHICS (DESCRIPTIVE STATISTICS)

*The sample size of 200 participants provides a diverse demographic baseline which enables meaningful comparisons across age, gender, and organization type.*

### 2. RELIABILITY OF MEASURES

The scales measuring emotional intelligence, leadership style, and organizational growth demonstrated good reliability (Cronbach's  $\alpha > 0.7$ ), confirming that the instruments used are appropriate for the analysis.

### 3. POSITIVE CORRELATIONS

The correlation analysis indicates significant positive relationships:

Higher emotional intelligence correlates with more effective leadership styles.

Effective leadership strongly associates with increased organizational growth.

### 4. PREDICTIVE RELATIONSHIPS

Multiple regression analysis shows that both emotional intelligence and leadership style are significant predictors of organizational growth. This suggests that enhancing these factors may directly contribute to better growth outcomes in organizations.

### 5. CHI-SQUARE TRENDS

Chi-square test revealed trends towards significance in the relationship between leadership style and the type of organization, indicating that different organizational contexts may influence leadership effectiveness.

## SUGGESTIONS

### 1. ENHANCING EMOTIONAL INTELLIGENCE TRAINING:

Organizations should implement training programs that focus on developing emotional intelligence among leaders and employees to foster a more supportive and effective work environment.

### 2. LEADERSHIP STYLES ASSESSMENT:

Regular assessments of leadership styles within organizations could help identify and cultivate effective leadership practices that correspond with high emotional intelligence.

### 3. FOSTERING ORGANIZATIONAL GROWTH

Integrate strategies for improving emotional and leadership competencies as part of organizational growth initiatives to harness the positive correlation identified.

### 4. EXPANSION OF RESEARCH:

Conduct longitudinal studies to examine how changes in emotional intelligence and leadership styles over time influence organizational growth. This approach will provide deeper insights into the causality of these relationships.

## **5. CONTEXTUAL ANALYSIS:**

Explore the effects of different organizational types (e.g., for-profit vs. non-profit, small vs. large organizations) on leadership effectiveness and emotional intelligence to tailor development initiatives.

## **IMPLICATIONS FOR FUTURE RESEARCH:**

### **1. CAUSAL RELATIONSHIPS:**

Future studies should explore causal relationships to determine whether enhancing emotional intelligence leads to improved leadership practices and subsequently to organizational growth outcomes.

### **2. DIVERSE POPULATIONS:**

Investigating these relationships in different cultural and geographic settings can aid in understanding the universality of these findings.

### **3. MIXED-METHODS APPROACHES:**

Incorporating qualitative methods could provide richer, contextual insights into how emotional intelligence and leadership styles manifest in various organizational settings.

### **4. REPORTING STANDARDS**

Future research should rigorously adhere to statistical and reporting standards to enhance transparency and replicability in findings, ensuring that interpretations are grounded in robust empirical evidence.

## **6. LIMITATION OF THE STUDY**

### **CROSS-SECTIONAL DESIGN**

The study employed a cross-sectional design, which captures data at a single point in time. This limits the ability to infer causal relationships between emotional intelligence, leadership style, and organizational growth. Changes over time and the direction of effects cannot be established.

### **SELF-REPORT MEASURED**

The reliance on self-reported data for assessing emotional intelligence and leadership style could introduce bias. Participants may have provided socially desirable responses rather than accurately reflecting their traits and behaviours.

### **SAMPLE DIVERSITY**

While the sample includes 200 participants, the demographic representation (e.g., age, gender, organization type) may not fully capture the diversity of the broader population. This limits the generalizability of the findings across different contexts and regions.

### **POTENTIAL CONFOUNDING VARIABLES**

The analysis may not have controlled for all relevant confounding variables (e.g., organizational culture, employee engagement, external economic conditions), which could impact the relationships among emotional intelligence, leadership style, and organizational growth.

### **SUBJECTIVITY IN LEADERSHIP STYLES**

The categorization of leadership styles can be subjective and vary based on interpretation. Different leadership frameworks may yield different results, and consensus on leadership style definitions is essential for consistent analysis

## **FUTURE SCOPE OF THE STUDY**

**LONGITUDINAL ANALYSIS OF LEADERSHIP IMPACT:** Future research could adopt a longitudinal design to track changes in organizational growth over time as leaders develop emotional intelligence and adjust their leadership styles. This would provide insights into the long-term effects of emotionally intelligent leadership on sustained organizational success.

**EXPLORING INDUSTRY-SPECIFIC LEADERSHIP PRACTICES:** Expanding this study to focus on industry-specific leadership practices could help identify how emotional intelligence and leadership styles uniquely impact growth across various fields. Such research could offer tailored recommendations for sectors like healthcare, technology, or education, where leadership demands may vary significantly

## **EXPLORATION OF MEDIATING VARIABLES**

Future research could investigate potential mediating factors (e.g., organizational culture, team dynamics) that might influence the relationships among emotional intelligence, leadership style, and organizational growth. Understanding these mediators could inform more effective interventions.

## **7. CONCLUSION**

The analysis underscores the importance of emotional intelligence and leadership style as pivotal components in promoting organizational growth. By following the suggestions for training, assessment, and future research, organizations can cultivate a more effective leadership culture that leverages emotional intelligence to achieve sustained growth. While the present study contributes valuable insights into the interplay between emotional intelligence, leadership style, and organizational growth, recognizing its limitations opens pathways for more comprehensive future research. By addressing these limitations and exploring the outlined areas, subsequent studies can enhance the understanding of these critical constructs and provide actionable strategies for organizational development.

## **CONFLICT OF INTERESTS**

None.

## **ACKNOWLEDGMENTS**

None.

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