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# THE ROLE OF EMOTIONAL INTELLIGENCE IN LEADERSHIP AND EMPLOYEE PERFORMANCE

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# **ABSTRACT**

A key component impacting the efficacy of leadership and performance of employees in contemporary administrations is emotional intelligence (EI). The effects of EI on leadership styles, employee output, contentment on the job, and interpersonal dynamics at work are the subject of this study. This research delves into the relationship between EI and successful decision-making, conflict resolution, and team cohesiveness by analysing the role of self-awareness, self-regulation, motivation, empathy, and social skills. Emotionally intelligent leadership is associated with increased employee engagement, decreased attrition, and overall organisational performance, according to this paper's extensive literature assessment and empirical research. Leadership with high EI is associated with a more favourable work atmosphere, more innovation, and longer-term success, according to the research. At the end of the day, the research shows that EI training programs are necessary to boost leadership skills and company results.

**Keywords:** Emotional Intelligence, Leadership, Employee Performance, Job Satisfaction, Organizational Success, Workplace Relationships

#### 1. INTRODUCTION

A company's achievement in today's fast-paced, ruthless business environment is heavily dependent on the quality of its leadership. Emotional intelligence (EI) is one of several leadership qualities that has recently come under scrutiny for its potential to influence both leadership effectiveness and staff output. Emotional intelligence (EI), first proposed by Daniel Goleman, is the capacity to not only be alert of, but also controller and direct one's own feelings as well as those of other people. Interpersonal interactions, communication, and empathy are crucial for creating a healthy work environment, but conventional leadership abilities mostly

centre on making strategic decisions and running operations efficiently. EI takes a different approach.

Strong team dynamics, conflict resolution skills, and the capacity to inspire people to reach organisational objectives are all necessary components of effective leadership, which transcends technical competence. Employees report more engagement, more productivity, and happier jobs when their bosses are emotionally savvy. Stress, disengagement, and significant staff turnover may result from executives who lack emotional intelligence.

Emotional intelligence (EI) and its effect on leadership and staff presentation are the foci of this study. Leadership effectiveness and workforce development are examined in relation to the five mechanisms of emotional intelligence (EI): self-awareness, self-regulation, motivation, empathy, and social skills. This research aims to analyse current literature and empirical data to show that EI-driven leadership is associated with good employee outcomes including increased dedication to the job, better collaboration, and overall organisational performance.

Organisations seeking to optimise workforce performance via the development of emotionally intelligent management frameworks and implementation of EI training programs may find significant insights in the results of this research.

#### 2. REVIEW OF LITERATURE

Leadership and organisational behaviour scholars now focus mostly on Emotional Intelligence (EI). Its value in improving leadership efficacy, employee performance, and workplace dynamics is well-known among both academics and professionals. Included in this part is a literature analysis of EI that focusses on its components, how it affects leadership styles, and how it affects employee happiness and productivity on the work.

Emotional intelligence (EI) was first proposed by Salovey and Mayer (1990). They defined EI as the dimensions to recognise, understand, control, and influence one's own as well as other people's emotional conditions. Afterwards, EI became prominent in the corporate world because to Daniel Goleman (1995), who focused on five important dimensions: self-awareness, social skills, motivation, empathy, and self-regulation. These elements are indispensable for good leadership and help leaders deal with difficult situations at work and in social situations.

Evidence from studies points to EI as a serious influence in current management. High EI leaders are more likely to be resilient, flexible, and good decision-makers, according to research by Goleman et al. (2002). According to Barling et al. (2000), transformational leaders are the ones who use EI the most to inspire and motivate their staff, which in turn increases engagement and commitment. A greater level of organisational success is associated with emotionally intelligent leaders, according to research by Prati et al. (2003). These leaders excel in resolving conflicts, constructing strong teams, and empowering their employees.

Employees' EI is positively correlated with their production, according to many research. According to Côté & Miners (2006), workers are more motivated and satisfied with their jobs when their leaders are emotionally intelligent. In a similar vein, Wong & Law, K. S. (2002) discovered that EI improves performance and decreases turnover rates by enhancing communication, problem-solving, and collaborative skills. Companies that put money into emotional intelligence training programs often have a positive impact on productivity and morale in the office Brackett et al. (2011).

As soon as employees are happy in their careers, they are more probable to stay with the corporation and contribute to its success. High EI leaders, according to Jordan et al. (2002), foster an encouraging workplace in which workers feel appreciated and inspired to do their best. Building trust and cooperation with workers is possible when you can understand their issues and provide helpful comments. In addition, EI helps with stress management, which in turn decreases burnout in the workplace and improves employees' well-being in general (Lopes et al. (2006)).

Leadership development efforts at many companies now include EI-based training programs because of the relevance of EI. Structured EI training boosts leadership skills, morale, and organisational resilience, according to research by Boyatzis et al. (2013). Corporate training programs are increasingly highlighting EI, which highlights its importance in determining future leadership and worker efficiency.

According to the research we looked at, emotional intelligence is one of the most significant factors in fruitful management and high productivity in the workplace. The decision-making process, team relationships, work happiness, and overall productivity of an organisation are all impacted by EI. Promoting EI in the workplace is essential for long-term success, even when companies adapt to new ways of working. Research in the future should focus on the effects of EI on workforce development in the long run, as well as its industry-specific uses.

# 2.1. OBJECTIVES OF THE STUDY

This study's overarching goal is to dissect the connection between Emotional Intelligence (EI) and effective leadership and team output. Here are the particular goals:

- 1) To examine the relationship between Emotional Intelligence (EI) and successful leadership in organisations by dissecting its essential components.
- 2) To assess how well emotionally intelligent leadership impacts engagement, job satisfaction, and productivity in the workplace.
- 3) To investigate how EI relates to various types of leadership, including transformational and transactional approaches.

#### Null Hypothesis $(H_0)$ :

There is no significant influence of emotionally intelligent leadership on employee productivity, job satisfaction, and workplace engagement.

#### Alternative Hypotheses $(H_1, H_2, H_3)$ :

- H<sub>1</sub>: Emotionally intelligent leadership has a positive and significant impact on employee productivity.
- H<sub>2</sub>: Emotionally intelligent leadership positively influences job satisfaction among employees.
- H<sub>3</sub>: Emotionally intelligent leadership enhances workplace engagement and team cohesion.

#### 3. RESEARCH METHODOLOGY

In order to determine how emotionally intelligent leadership affects workplace engagement, job happiness, and productivity, this study uses a mixed-method research strategy. In order to quantify the extent to which workers feel their leaders' emotional intelligence influences their engagement and performance on the job, we will administer a survey using a Likert-scaled structured questionnaire. To provide a representative sample of organisational settings, the survey will reach out to workers in a variety of sectors. Qualitative data will be gathered via semi-structured interviews with managers and team leaders to further explore the role of emotional intelligence in effective leadership. Using statistical tools like as regression analysis and correlation testing, the data will be examined to uncover the relationship between emotionally intelligent leadership and employee results. In order to choose study participants, a cross-sectional research design will be used, with convenience sampling being the preferred technique. Data confidentiality and informed consent are two of the study's tenets that will be strictly upheld throughout. Organisations seeking to improve leadership development via emotional intelligence training programs will find the study's conclusions to be very insightful.

### 4. DATA ANALYSIS AND DISCUSSION

Table 1

| Table 1 Descriptive Statistics of Study Variables |     |      |                |         |         |  |  |  |  |  |
|---|-----|------|----------------|---------|---------|--|--|--|--|--|
| Variable  | N   | Mean | Std. Deviation | Minimum | Maximum |  |  |  |  |  |
| Emotional Intelligence Score                      | 200 | 4.21 | 0.65           | 2.50    | 5.00    |  |  |  |  |  |
| Employee Productivity Score                       | 200 | 4.05 | 0.72           | 2.30    | 5.00    |  |  |  |  |  |
| Job Satisfaction Score                            | 200 | 4.12 | 0.68           | 2.50    | 5.00    |  |  |  |  |  |
| Workplace Engagement Score                        | 200 | 4.18 | 0.70           | 2.40    | 5.00    |  |  |  |  |  |

#### 5. ANALYSIS OF DESCRIPTIVE STATISTICS

Table 1 provides a descriptive summary of the study's important variables, which include EQ, employee productivity, job satisfaction, and workplace engagement. Two hundred people participated in the survey, and every variable was assessed using a Likert scale ranging from 1 to 5. The majority of respondents see their leaders as emotionally intelligent, as shown by the mean Emotional Intelligence score (4.21, SD = 0.65). Employee Productivity (Mean = 4.05, SD = 0.72) also indicates that, when led emotionally intelligently, workers typically report a high degree of productivity.

Additionally, workers are generally content with their workplace, according to Job Satisfaction (Mean = 4.12, SD = 0.68), which is in line with other studies that found a favourable correlation between leadership and job satisfaction. There is little variance in replies from workers, as shown by the Workplace Engagement score (Mean = 4.18, SD = 0.70). Consistent views among respondents are supported by the small standard deviations seen in all variables.

All things considered, these results suggest that emotionally aware leadership might lead to happier, more engaged, and productive employees. Statistical significance and causal linkages can only be established by further inferential analysis, including regression and correlation testing.

Table 2

| Table 2 Regression Analysis - Impact of Emotional Intelligence on Employee |                                 |                            |             |             |                |                 |  |  |  |
|--|---------------------------------|----------------------------|-------------|-------------|----------------|-----------------|--|--|--|
| Dependent<br>Variable  | Independent<br>Variable         | Beta<br>Coefficient<br>(β) | t-<br>value | p-<br>value | R <sup>2</sup> | F-<br>statistic |  |  |  |
| Employee<br>Productivity   | Emotional<br>Intelligence Score | 0.62                       | 7.85        | 0.000**     | 0.384          | 61.62**         |  |  |  |
| Job Satisfaction   | Emotional<br>Intelligence Score | 0.58                       | 7.23        | 0.000**     | 0.336          | 52.28**         |  |  |  |
| Workplace<br>Engagement  | Emotional<br>Intelligence Score | 0.65                       | 8.10        | 0.000**     | 0.422          | 65.45**         |  |  |  |

# 6. ANALYSIS OF REGRESSION RESULTS

Table 2 shows the findings of the regression analysis showing that Emotional Intelligence (EI) is positively associated with employee productivity, job satisfaction, and workplace engagement. The correlation between EI and Workplace Engagement is strongest when the Beta Coefficient ( $\beta$ ) values are 0.65 (p = 0.000), followed by Employee Productivity ( $\beta$  = 0.62, p = 0.000) and Job Satisfaction ( $\beta$  = 0.58, p = 0.000). All three dependent variables show a significant improvement as leaders' emotional intelligence increases, according to their positive coefficients.

The statistical significance of EI's influence on all variables is confirmed by the t-values (7.85, 7.23, and 8.10). Furthermore, the p-values (0.000) are much lower than the 0.05 threshold, which means that the null hypothesis ( $H_0$ ) may be rejected with strong evidence. This suggests that emotionally intelligent leadership positively impacts employee performance and workplace outcomes.

Each dependent variable's R<sup>2</sup> value (0.384, 0.336, and 0.422) represents the percentage of variation explained by EI. In particular, EI explains 42.2% of the variation in workplace engagement, 33.6% of the variation in job satisfaction, and 38.4% of the variance in employee productivity. In terms of influencing results pertaining to employees, these numbers point to a somewhat significant predictive capacity of EI.

The overall significance of the regression models is confirmed by the F-statistics (61.62, 52.28, and 65.45, p < 0.01), which validate that EI is a critical factor influencing employee performance, satisfaction, and engagement. Employee engagement, job happiness, and productivity are all positively impacted by emotionally aware leadership, according to the findings. A more inspired, fulfilled, and invested staff may be achieved via EI-based leadership training, which organisations should make a top priority.

#### 7. CONCLUSION

Researchers in this research looked at how Emotional Intelligence (EI) affects leadership, which in turn affects employee engagement, happiness on the job, and productivity. Leaders with more emotional intelligence tend to cultivate a more productive, contented, and engaged staff, according to the results, which show a robust and positive correlation between EQ and critical workplace outcomes.

High descriptive ratings across the board suggest that workers see emotionally intelligent leadership as a positive quality in a leader. With a positive and statistically significant link between EI and all three dependent variables (employee productivity, job satisfaction, and workplace engagement), the regression analysis provided more evidence that EI is important for determining workplace

performance. Reiterating that EI is an important factor in leadership efficacy and employee welfare, the rejection of the null hypothesis  $(H_0)$  supports this notion.

Incorporating EI training into leadership development programs is crucial for improving workplace relationships, communication, and decision-making, according to these studies. A more unified work atmosphere, better performance, and increased employee retention are all possible outcomes for organisations whose leadership strategies include an emphasis on emotional intelligence.

# **CONFLICT OF INTERESTS**

None.

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