



Harnessing Emotional Intelligence for Organizational Transformation: A Quantitative Study of Bank Employees in Islamabad

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Abstract

The current research study aims to explore the significance of Emotional Intelligence (EI) in the organizational behaviour of the banking sector in the city of Islamabad, Pakistan. In the context of the banking sector, which is high-pressure, requires strong customer interaction, and operates within a team environment, the role of EI in leadership, employee engagement, and organizational results has a specific context. The study utilized a quantitative research design with the primary data being collected by administering questionnaires to the employees of various banks in Islamabad (N=48) and based on the EI Theory, developed by Goleman, the EI Ability Model developed by Mayer and Salovey, the Social Exchange Theory, and the Transformational Leadership Theory. The questionnaire included 24 items that were rated on a five-point Likert scale for five constructs: Company Mission/Values and EI Leadership, Job Satisfaction, Work Environment, Compensation and Benefits, and General Feedback. Reliability analysis showed high internal consistency for all constructs (Cronbach's alpha values ranged from 0.768 to 0.961). In general, the highest positive correlation was found between Work Environment and General Feedback ($r = 0.469$, $p = 0.001$), followed by Compensation and Benefits ($r = 0.453$, $p = 0.001$), Job Satisfaction ($r = 0.403$, $p = 0.005$), and Company Mission/Values with EI Leadership ($r = 0.366$, $p = 0.010$). The regression analysis results revealed that EI Leadership significantly predicts organizational outcomes ($\beta = 0.567$, $p = 0.001$), and also the Job Satisfaction, Work Environment and Compensation and Benefits contributed significantly to the prediction ($p = 0.004$, $p = 0.000$ and $p = 0.0495$ respectively). The overall model explained 23.7% of the variance in General Feedback ($R^2 = 0.237$, $F = 3.345$, $p = 0.018$). The results of this study highlight the significance of EI in promoting positive organizational climate, increasing the level of employee engagement and performance of an organization in the banking sector of Pakistan. The study is one of the many recent works showing the importance of emotional intelligence in the organizational context and provides implications for leadership development, HRM, and organizational culture plans for the banking sector.

Keywords: Emotional Intelligence, Organizational Behaviour, Leadership Effectiveness, Job Satisfaction, Work Environment, Banking Sector, Pakistan

Introduction

The requirements of leaders in the creation of organizational constructions have also been beyond technical and operational proficiency. As the partnership, heterogeneity and dynamism increase, the characterization of the workplaces. Emotional Intelligence has emerged as an important measure of successful leadership and organizational implications.

Emotional Intelligence is first publicized by Goleman (1995) comprehend, control, and utilize emotions in individual and work relations well. Highly emotionally intelligent leaders reflect themselves more effectively, successfully handle emotions, comprehend attitudes, and are up-to date on social skills-all of which are attributes of effective leadership behaviour. Rational or economic considerations alone do not dictate the behaviour of employees at the workplace. Instead, emotions are important in determining the attachment of employees to their jobs and organizations. Work can consume people as most of them are trying to satisfy the emotional needs including recognition, belonging and self-worth. Emotional attachment more often leads to high levels of job involvement instead of making the decisions based on pure logic. This emotional attachment makes employees work more actively in their job and portray behaviours beyond job descriptions. Emotional intelligence is also factual evidence that is important to employee outcomes. Researchers have discovered that employees who have leaders with superior level of emotional intelligence stimulate more employee engagement, job satisfaction, and loyalty to the organization. Conversely, an emotionally intelligent leadership style is associated with reduced conflict at work place, enhanced efficiency, and quality of decision-making (Ashkenasy and Humphrey, 2011). The hospitality and healthcare sectors, which are highly pressure-driven industries, have documented that Emotional intelligence is useful in enhancing employee retention and general performance (Hur, Moon, and Han, 2016).

Background of the Study The modern organization is complex, diverse, and dynamic, requiring more than just technical and operational skills from leadership. Emotional Intelligence (EI) has become a key driver of leadership effectiveness and organizational success in this changing landscape. Emotional Intelligence (Goleman,1995) is defined as the ability to identify, understand, monitor and control emotions and to use them effectively in interpersonal and professional relationships. Leaders who are emotionally intelligent possess high levels of self-awareness, self-regulation, motivation, empathy and social skills, which are all traits of good leadership behaviour (Goleman, 1998). The banking sector is a relevant context for the study of the role of emotional intelligence in organizational behaviour because it is a crucial organization that provides services to the population. The nature of the job in the banking industry is demanding due to high pressure, heavy workloads, emotional labour and exposure to customers (Hur, Moon, & Han, 2016). Stressful situations are common in this area, such as dealing with angry customers, dealing with urgent financial matters and coping with changes to the organization. Emotional intelligence is therefore, not only a desirable trait to have but a must-have trait for being a good leader and for having a healthy employee (Ashkanasy & Humphrey, 2011). There are a number of reasons why emotional intelligence is especially important in the banking industry. Second, the banking industry has numerous employees who have frequent contact with customers, and therefore must possess good interpersonal skills to develop trust, set expectations, and manage conflict with customers (Goleman, 1998). Second, in order for banking functions to be performed effectively, there is a need for collaboration and team working between different departments and banks, which requires leaders who can build effective team systems, promote communication and resolve interpersonal conflicts (Bass, 1985). Third, work-related stress and burnout are causing high turnover among bank employees, with emotionally intelligent leadership being crucial to boosting employee retention and commitment (Othman et al., 2024). Emotional Intelligence has been consistently shown to be an important factor in the prediction of leadership effectiveness and organizational outcomes. Leadership EI explains nearly a quarter (25%) of the variance across studies in employee performance, regardless of culture and it is considered a very large effect (Goleman & Cherniss, 2024). One other meta-analysis that aggregated outcomes from over 65,000 entrepreneurs revealed that those higher in EI had better outcomes in terms of financial success, firm growth and firm size, where EI's effects were more than double that of IQ (Goleman & Cherniss, 2024). The results highlight the importance of improving emotional intelligence in organizations. Though a great deal of

research has been conducted on the importance of EI, not much empirical research has been done on the role of emotional intelligence in the banking sector of Pakistan. Although there are many studies conducted internationally on EI in organizational settings in Pakistan, the cultural, economic and institutional specificities of the banking industry make it imperative to investigate the issue locally. In Pakistan, the banking sector has undergone substantial development and changes in last few decades, and there are several banks in Pakistan. This is relevant to organizational behaviour from the perspective of emotional intelligence and means for leadership development, employee engagement and organization performance.

Problem Statement

Emotional intelligence is one of the most important qualities needed to be a successful leader and to create positive organizational behaviour (Goleman, 1995; Mayer & Salovey, 1997). But, there are a number of banking leaders who are deficient in the emotional and interpersonal skills needed to overcome communication problems, solve problems at the workplace, inspire teams and cope with organizational changes efficiently (Ullah et al., 2022). Empirical research found some significant positive relationship between EI and leadership effectiveness, but the process by which EI influences leadership effectiveness and its impact on employee experience is still unclear, especially in multicultural and other organizational settings like Pakistani Banking Sector (Ansari & Kour, 2024). This study of emotional intelligence is relevant to the Pakistani banking sector as it has its own specific challenges. Stress at work, stressful interactions with customers and pressure to meet performance targets are common in this sector. However, very little research has focused on the role of emotional intelligence in relation to organizational behaviour outcomes in this context. This gap in the literature is a hindrance in developing evidence based interventions for leadership development, employee engagement and organizational culture enhancement in Pakistani banks. Moreover, there is increasing research on emotional intelligence in Western organizational environments but little research has explored its role in South Asian environments where cultural norms, organizational structures, and employee expectations may vary significantly from the West (Ullah et al., 2022). Knowing more about these contextual factors is crucial in shaping culturally appropriate leadership development programs and organizational interventions.

Research Objectives

- To examine the relationship between emotional intelligence and leadership effectiveness in the banking sector of Islamabad, Pakistan.
- To investigate the impact of emotional intelligence on employee engagement and job satisfaction among banking professionals.
- To assess the role of emotional intelligence in creating a positive work environment and organizational culture in the banking sector.
- To examine the influence of emotional intelligence on organizational behaviour outcomes, including employee commitment, organizational citizenship behaviour, and performance.
- To identify the mechanisms through which emotional intelligence influences organizational behaviour in the Pakistani banking context.
- To provide practical recommendations for leadership development, human resource management, and organizational culture initiatives in the banking industry.

Research Questions

- Does emotional intelligence affect leadership effectiveness in banking organizations in Islamabad?
- Does emotional intelligence influence employee engagement and job satisfaction in the banking sector?
- Does emotional intelligence impact the work environment within banking organizations?

- Does emotional intelligence affect organizational behaviour outcomes in the banking sector?

Theoretical background:

The literature review in this manuscript is a critical analysis of available literature that researches the contribution of Emotional Intelligence (EI) in Organizational Behaviour. It integrates published evidence to help define what has already been known, what patterns are dominant, and which gaps or inconsistencies have been left. It is stated that in the given literature, the review will be based on the empirical results on the role of EI in leadership behaviour, job performance, organisational citizenship behaviour (OCB). Ansari and Kour (2024) are researchers who have a specific focus on leadership psychology and organisational behaviour. They also highlight how Emotional Intelligence is important in increasing the effectiveness of the leadership by means of better communication, decision making, and team bonding. The authors of the SAMRIDDHI Journal (2022) test the relationship between EI, organisational climate and Organisational Citizenship Behaviour (OCB). Their research contributes to the knowledge on EI in the general work environment and encourages employees to engage in prosocial behaviours. The authors of the paper are Tofighi and colleagues (2015), who are health-care management researchers. Their study on the EI among nurses indicates that emotionally intelligent nurses participate more in OCB 3including helping fellow colleagues and attending to patients, which leads to better patient outcomes and hospital results. The paper by Shamsuddin and colleagues (2022) offers a conceptual model that can explain the mechanism through which EI causes OCB. Their input provides the theoretical support of understanding the indirect impact of EI on the harmony of workplaces, cooperation, and interpersonal trust. The existing studies in the field of EI show that EI is a critical factor in the organisational behaviour and leadership performance. Various studies indicate that leaders who possess high EI have better communication skills, teamwork and more adaptability, which have the overall effect of improving organisational climate and satisfaction level among employees. As an example, Kour and Ansari (2024) and Ullah et al. (2022) state that EI has a significant positive role in leadership effectiveness and organisational commitment, but this important correlation can be diluted by organisational politics.

Significance of the Study:

The current research is important to the extent that it attempts to explain the importance of EI in the leadership process and performance in organizations. In modern, dynamic and heterogeneous workplace settings, leadership goes beyond the technical and operational capabilities hence making EI a relevant predictor of the personnel management and related relational dynamics at the workplace. The research illuminates how EI-competent leaders affect the affective state of employees, job satisfaction, engagement as well as commitment towards the organization. In addition, it highlights the role of EI in reducing conflict at workplace, improving decision-making, and encouraging employees to do beyond what is required of them in the official position. The resulting intelligence has practical implications to corporations, managers and human-resource practitioners especially in high-stress industries, as it informs the development of leadership training programs that support employee retention and organizational performance, in general

Literature Review:

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behaviour, job performance, organisational citizenship behaviour (OCB), employee commitment, organisation climate and performance outcomes. The synthesis proves that EI is one of the key psychological abilities that influence the behaviour at the workplace and the performance of an organisation, at the same time highlighting the need to conduct further research on the mediating and moderating variables. Ansari and Kour (2024) are researchers who have a specific focus on leadership psychology and organisational behaviour. They also highlight how Emotional Intelligence is important in increasing the effectiveness of the leadership by means of better communication, decision making, and team bonding. They emphasise EI as a leadership skill of the modern era that is important in organisational success. Theng and co-authors (2021) are interested in the topic of employee behaviour and in various industries. Their results show that employees with greater EI have greater emotional attachment and loyalty hence bringing stability to the organisation and decreasing turnover.

Theories:

Goleman's Emotional Intelligence Theory (1995, 2001)

According to Goleman, Emotional Intelligence Theory is the assumption that EI is a set of competencies that allow individuals to understand and control emotions in themselves and their surroundings. The theory provides five key elements, namely self-awareness, self-regulation, motivation, empathy, and social skills. Goleman believes that these skills enable leaders to establish strong relationships, communicate, and address stress or conflict in the most effective way. Leaders with high EI are better aware of the emotional needs of employees, and they have an opportunity to create positive working conditions that will promote cooperation and trust. The study is based on this theory as it has direct relation between emotional capacities and effective leadership and behaviour at workplace.

The Ability Model (1997) by Mayer and Salovey

This theory defines emotional intelligence as a cognitive fact and not a personality trait. It consists of four skills, namely, perceiving emotions, employing emotions to think, cognizing emotional patterns, and controlling emotions. According to the model, people who are better at managing their emotions make wiser decisions, solve human issues more efficiently, and maintain a healthy relationship in the workplace. In an organisational setting, such skills will help leaders to react appropriately to emotional scenarios, deal with conflict within a team and inspire employees. This theory aids the research as it explains the contribution of EI to rational and emotionally composed leadership.

The Social Exchange Theory (Blau, 1964)

This theory stipulates that workplace relationship is built on the basis of reciprocity wherein good behaviours of one party will be responded with good behaviours on the other side. The leaders have to be leaders who show empathies, support, fairness and emotional understanding, which are hallmarks of EI, hence make the employees feel valued, and are encouraged to return loyalty, commitment and OCB. The theory explains why emotionally intelligent leaders can cultivate trust and cooperation in teams and explain how EI affects organisational performance including job satisfaction and employee engagement by enhancing the psychological relationship between leaders and employees.

Transformational Leadership Theory (Bass, 1985)

It describes those leaders who inspire, motivate and influence followers to go beyond expectations. This leadership style is based on EI because, transformational leaders should have an emotional appeal to employees, a clear vision, and be emphatic and understanding. EI helps in exhibiting idealised influence, inspirational motivation, individualised consideration, and intellectual stimulation- all the important dimensions of transformational

leadership. This theory supports the framework by explaining the importance of EI in improving leadership behaviours that have a direct influence on organisational outcomes.

Hypothesis Development:

Emotional Intelligence influenced Organizational Behaviour.

The findings have always been consistent that EI positively affects organizational behaviour results. High EI scores are seen in leaders who possess good communication skills, are able to work well with others, and are able to decrease conflict in the workplace (Ansari & Kour, 2024). Individuals who have the ability to manage their emotions, exhibit better workplace behaviour, which includes organizational citizenship behaviour and prosocial behaviour (Shamsuddin et al., 2022). Strong leaders with emotional intelligence lead employees who are more engaged, satisfied and loyal (Ashkanasy & Humphrey, 2011). Hence, it is hypothesized that:

H1: Emotional intelligence positively correlates with organizational behaviour in banking sector.

Relationship between Emotional Intelligence and Leadership Effectiveness.

The ability to manage emotions is an important aspect of leadership in an organization. High EI leaders are more likely to have strong communication skills, decision making skills, and team bonding skills (Ansari & Kour, 2024). A body of research shows that EI has a strong and positive impact on leadership performance, including interpersonal trust, communicative coherence and collaborative problem solving (King David et al., 2025). A meta-analysis showed that the more positive a leader's EI, the more positive his workers' performance was, and that EI was responsible for nearly a quarter of the variance in workers' performance (Goleman & Cherniss, 2024). Therefore, it is hypothesized that:

H2: Emotional intelligence contributes positively and significantly to leaders' effectiveness in the banking industry.

Emotional intelligence, leadership behaviour, and organizational behaviours

Leadership behaviour and organizational outcomes are mediated by emotional intelligence. Organizational behaviour and performance is improved as leaders with high EI can develop interpersonal trust, communicate effectively and solve problems collaboratively (King David et al., 2025). The complementary nature of EI and leadership effectiveness creates a compelling model for leadership in managing organizational transformation in a sustainable, participatory and emotionally responsive manner (King David et al., 2025). So it is assumed that:

H3: The relationship between leadership behaviour and organizational behaviour in banking sector is mediated by emotional intelligence.

Emotional Intelligence, Job Satisfaction, and Organizational Commitment.

Emotional Intelligence has huge effects on employees' job satisfaction and organisational commitment. There is a significant moderately positive relationship between EI and organizational commitment, and between job satisfaction and organizational commitment (Othman et al., 2024). Employees' satisfaction is increased when they have a more positive perception of their leaders' EI level (Almeida et al., 2024). The dimensions of EI include: self-awareness, self-regulation, self-motivation, empathy, and social skills, all of which are essential to the understanding of how EI contributes to the effectiveness of leadership and, in turn, the satisfaction of employees (Almeida et al., 2024). Therefore, it is hypothesized that:

H4: There is a positive relationship between emotional intelligence and job satisfaction and organizational commitment in the banking sector.

Emotional Intelligence and Work Environment

Emotionally intelligent leadership fosters positive workplace dynamics that include trust, cooperation and employee welfare. Leaders lead by managing themselves and responding sensitively to the emotions of others; employees can handle a lot of stress without experiencing burnout (Goleman and Cherniss, 2024). When leaders exhibit emotional intelligence, workers feel valued and motivated; when leaders are lacking in EI, workers feel undervalued and suffer from greater burnout (Yale Center for Emotional Intelligence, 2025). Therefore, it is hypothesized that:

H5: Emotional intelligence is a significant factor in promoting a positive culture in the banking industry.

Emotional Intelligence and Organizational Performance

Organizations' performance outcomes are directly affected by emotional intelligence. Leaders, teams and employees who practice EI enjoy numerous benefits, such as increased job satisfaction, higher performance, reduced turnover, greater engagement and morale, more organisational citizenship behaviour, and greater profit and growth, as revealed by Goleman and Cherniss (2024). Research based on over 65,000 entrepreneurs revealed that those higher in EI were more likely to be financially successful, had faster firm growth, and larger firm sizes with the impact of EI being more than twice as great as IQ (Goleman & Cherniss, 2024). Hence, it is assumed that:

H6: The hypothesis is that emotional intelligence has a positive impact on the performance of the banking industry.

Research Design

The design of the research used is quantitative research, the purpose of using quantitative research is to analyze the relationship between emotional intelligence and organizational behaviors. A quantitative approach is suitable because it allows the variables to be measured and the hypotheses tested statistically and objectively (Creswell & Creswell, 2018). The study has an explanatory purpose, for it aims to explore the role of emotional Intelligence in the organizational behaviour outcomes such as employee performance, job satisfaction, teamwork, leadership effectiveness and work environment. The research design used is cross sectional design where the data is obtained at one point in time. This type of design is appropriate for exploring relationships between variables and for the testing of theories; it does not allow for causal inferences (Field, 2018).

Research Population

The population of the study includes the employees of the banking sector in Islamabad, Pakistan. The banking sector has been chosen for the following reasons:

- **High-stress environment:** Banking is a stressful environment, with busy work schedules and frequent interactions with customers, where emotional intelligence is relevant (Hur, Moon, & Han, 2016).
- **Customer-Facing Roles:** Bank staff interact with customers on a regular basis and must have high interpersonal and emotional skills (Goleman, 1998).
- **Team Based Operations:** Operations in banks are well dependent on the teamwork and collaboration, so the effectiveness of leadership and working environment is highly important.
- **Organizational Behaviour:** For the banking sector is relevant due to its contribution to economy and employment of Pakistan.

The target group are employees at different levels (entry-level, mid-level, senior managerial) who have experience with organizational leadership structures and who can contribute useful feedback on the issue of emotional intelligence and organizational behavior.

Sample Size and Sampling Technique

The study considered 50 respondents who are working in the banking sector of Islamabad. Data cleaning was performed to remove inconsistent data and answers with missing information: 48 valid answers were selected for analysis. This sample size is typical for exploratory studies in organizational behaviour research and is appropriate for the statistical analyses used such as reliability analysis, correlation analysis and multiple regression (Hair et al., 2010; Pallant, 2020).

Data Collection Method

The subject of this study is bank employees of Islamabad and the data is collected through primary data with the help of a structured questionnaire. Primary data collection was considered appropriate as:

- **The Direct Measurement:** It allows direct measurement of emotional intelligence and organizational behaviour constructs that are specific to the banking context.
- **Customisation:** The questionnaire can be designed to collect the variables of interest specific to the banking sector.
- **Control:** The researcher has the control over data collection process and ensures the quality and consistency of data (Sekaran & Bougie, 2016).
- **Context Relevance:** The primary data collection ensures that the responses are relevant to the present situation in the banking sector in Islamabad.

Research Instrument

A structured survey questionnaire was developed based on established scales and theoretical frameworks. The questionnaire consisted of 24 items divided into five sections:

Section	Construct	Number of Items	Adaptation Source
1	Company Mission/Values and Leadership	4	Goleman (1998); Wong & Law (2002)
2	Job Satisfaction	6	Weiss et al. (1967); Othman et al. (2024)
3	Work Environment	6	Moos (1994); Almeida et al. (2024)
4	Compensation and Benefits	6	Allen & Meyer (1990)
5	General Feedback	2	Developed for this study
Total		24	

All items were measured using a five-point Likert scale ranging from:

- 1 = Strongly Disagree
- 2 = Disagree
- 3 = Neutral
- 4 = Agree
- 5 = Strongly Agree

The Likert scale was chosen because it has been commonly used to measure attitudes and perceptions in organizational behaviour studies and offers the respondents a variety of options in which they can show how much they agree with each statement (Pallant, 2020). This is a good scale format to assess psychological constructs like emotional intelligence and organizational attitudes (Nunnally & Bernstein, 1994).

Variables of the Study

Based on the theoretical framework and literature review, the following variables were identified for this study:

Independent Variables (IV):

Variable	Description	Items	Theoretical Basis
Company Mission/Values and EI Leadership	Assesses how emotional intelligence influences leadership effectiveness, decision-making, communication, and team motivation in the banking sector	4	Goleman (1998); Bass (1985)
Job Satisfaction	Assesses employee engagement, satisfaction, commitment, pride, morale, and recognition under emotionally intelligent leadership	6	Weiss et al. (1967); Othman et al. (2024)
Work Environment	Assesses positive work climate, communication, support, collaboration, conflict reduction, and trust	6	Moos (1994); Almeida et al. (2024)
Compensation and Benefits	Assesses fair distribution, transparent rewards, recognition, performance-based bonuses, conflict resolution, and employee well-being	6	Allen & Meyer (1990); Blau (1964)

Dependent Variable (DV):

Variable	Description	Items
General Feedback	Assesses overall organizational environment and prioritization of emotional intelligence in leadership selection	2

Theoretical Framework Mapping

The study variables are grounded in the following theoretical frameworks:

Theory	Proponent	Key Concepts	Mapping to Variables
Goleman's EI Theory	Goleman (1995, 1998)	Self-awareness, Self-regulation, Empathy, Social Skills	EI Leadership, Work Environment, Job Satisfaction
Ability Model	Mayer & Salovey (1997)	Perceiving, Understanding, Emotions	EI Leadership, Organizational Behaviour
Social Exchange Theory	Blau (1964)	Reciprocity, Fairness	Compensation & Benefits, Work Environment
Transformational Leadership Theory	Bass (1985)	Idealized Influence, Inspirational Motivation, Individualized Consideration	EI Leadership, Organizational Behaviour

Data Analysis Techniques

Data were analysed using Statistical Package for Social Sciences (SPSS). The following analytical techniques were employed:

1. Descriptive Statistics
2. Reliability Analysis
3. Validity and Common Method Bias
 - Kaiser-Meyer-Olkin (KMO) Test:
 - Bartlett's Test of Sphericity:
 - Harman's Single Factor Test:
4. Correlation Analysis
5. Multiple Regression Analysis
6. Diagnostic Tests

Results:

Table 1: Reliability Results

Construct	Items	Cronbach's Alpha	Result
Company Mission/Values / EI Leadership	4	0.860	Reliable
Job Satisfaction	6	0.885	Reliable
Work Environment	6	0.898	Reliable
Compensation & Benefits	6	0.882	Reliable
General Feedback	2	0.768	Reliable
Overall Scale	24	0.961	Highly reliable

Company Mission/Values and EI Leadership ($\alpha = 0.860$), Job Satisfaction ($\alpha = 0.885$), Work Environment ($\alpha = 0.898$), and Compensation & Benefits ($\alpha = 0.882$) demonstrate strong reliability.

Table 2: Validity and Common Method Bias

Test	Statistic	p-value	Result
KMO Test	0.817	—	Good sampling adequacy
Bartlett's Test	908.049	0.000**	Factor analysis suitable
Harman's Single Factor Test	53.85%	—	Common method bias likely

The KMO value of 0.817 indicates good sampling adequacy, suggesting that the data are suitable for factor analysis. Bartlett's Test of Sphericity is significant ($p < 0.001$), confirming that sufficient correlations exist among variables for factor analysis. However, Harman's Single Factor Test shows that one factor explains 53.85% of the variance, which exceeds the recommended threshold of 50%. This suggests that common method bias may be present in the data and should be considered when interpreting the results.

Table 3: Correlation with General Feedback

Independent Variable	Pearson r	p-value	Result
Company Mission/Values / EI Leadership	0.366	0.010**	Significant positive
Job Satisfaction	0.403	0.005**	Significant positive
Work Environment	0.469	0.001**	Significant positive
Compensation & Benefits	0.453	0.001**	Significant positive

Work Environment shows the strongest positive relationship ($r = 0.469$, $p = 0.001$), followed by Compensation & Benefits ($r = 0.453$, $p = 0.001$), Job Satisfaction ($r = 0.403$, $p = 0.005$), and Company Mission/Values ND EI Leadership ($r = 0.366$, $p = 0.010$).

Table 4: Multiple Regression Results

Variable	Dependent Variable:			
	B	Beta	t-value	p-value
Company Mission/Values / EI Leadership	2.092	0.567	3.689	0.001**
Compensation & Benefits	0.003	0.014	2.013	0.0495
Job Satisfaction	0.006	0.019	3.020	0.004
Work Environment	0.276	0.065	4.218	0.000

Interpretation

The regression analysis examines the impact of independent variables on General Feedback.

- Company Mission/Values and EI Leadership have a significant positive effect on General Feedback ($\beta = 0.567$, $p = 0.001$).
- Compensation & Benefits also have a significant positive influence ($p = 0.00495$).
- Job Satisfaction significantly contributes to General Feedback ($p = 0.0004$).
- Work Environment has a positive and very significant ($p = 0.000$).

Table 5: Model Summary

Statistic	Value
R ²	0.237
Adjusted R ²	0.166
F-statistic	3.345
Prob. F-statistic	0.018**
Observations	48

The model explains 23.7% of the variation in General Feedback ($R^2 = 0.237$). After adjusting for the number of predictors, the model explains 16.6% of the variance (Adjusted $R^2 = 0.166$). The F-statistic is significant ($p = 0.018$), indicating that the regression model is statistically significant and provides a meaningful explanation of Feedback. The results are based on 48 observations.

Table 6: VIF Test

Variable	VIF	Result
Company Mission/Values / EI Leadership	2.958	No multicollinearity
Job Satisfaction	4.396	No multicollinearity
Work Environment	3.301	No multicollinearity
Compensation & Benefits	4.057	No multicollinearity

The Variance Inflation digits (VIF) values range from 2.958 to 4.396, all below the critical threshold of 5. This indicates that multicollinearity is not a serious concern among the independent variables.

Table 7: Diagnostic Tests

Statistic	p-value	Test	Result
0.627	0.731	Jarque-Bera Normality	Residuals normal
0.966	0.184	Shapiro-Wilk Normality	Residuals normal
17.957	0.101	Breusch-Pagan Test	No Heteroskedasticity problem
2.014	—	Durbin-Watson	Acceptable
0.006	0.937	Breusch-Godfrey Test	No autocorrelation
9.111	0.004**	Ramsey RESET	Specification issue

The diagnostic tests indicate that the regression assumptions are largely satisfied. The Jarque-Bera ($p = 0.731$) and Shapiro-Wilk ($p = 0.184$) tests confirm that the residuals are normally distributed. The Breusch-Pagan test ($p = 0.101$) indicates no heteroskedasticity problem. The Durbin-Watson statistic of 2.014 suggests no serious autocorrelation issue. Similarly, the Breusch-Godfrey test ($p = 0.937$) confirms the absence of autocorrelation. However, the Ramsey RESET test is significant ($p = 0.004$), indicating a possible model specification problem, meaning that important variables may be omitted from the model or the model may need improvement.

Summary of Findings

The present study explored the impact of Emotional Intelligence (EI) on organizational behaviour, leadership effectiveness, employee engagement, job satisfaction and work environment. The results confirm that leadership through EI has a significant relationship with positive organizational outcomes. The results of reliability analysis showed a good internal consistency across all constructs ($\alpha = 0.961$), suggesting that the measurement instrument was reliable in measuring the variables intended. The results of correlation showed that Work Environment had the highest positive correlation with organizational feedback ($r = 0.469$, $p = 0.001$), followed by Compensation and Benefits ($r = 0.453$, $p = 0.001$), Job Satisfaction ($r = 0.403$, $p = 0.005$), and Company Mission/Values and EI Leadership ($r = 0.366$, $p = 0.010$). Regression analysis also supported these relationships, with Company Mission/Values as a significant predictor ($\beta = 0.567$, $p = 0.001$), and Job Satisfaction ($p = 0.004$), Work Environment ($p = 0.000$), and Compensation and Benefits ($p = 0.0495$). The regression model was statistically significant, with an overall model F value of 3.345 and p of 0.018, and R^2 of 0.237 to explain 23.7% of variance in organizational feedback.

Interpretation of Findings

The concept of the primacy of work environment and emotional climate.

Overall, the results indicated that the emotional climate of the workplace (measured by Work Environment) was most significantly correlated with organizational feedback ($r = 0.469$, $p = 0.001$), highlighting the critical role of workplace climate in influencing employee perceptions and organisational outcomes. This is consistent with studies proving that emotionally intelligent leaders foster positive work environments that employees feel appreciated, motivated, and involved in. According to the research from the Yale Center for Emotional Intelligence, emotionally intelligent leaders create workplace cultures that are more psychologically safe, promote opportunities for growth, and boost employee creativity and innovation. On the other hand, employees whose managers aren't emotionally intelligent say they feel undervalued and suffer from burnout.

The association of work environment with organizational outcomes is in line with Goleman's (1995, 1998) claim that people with high EI are unique in being able to understand and feel the emotions of others, and are also very effective in leadership roles that demand social sensitivity. This finding also corroborates the Social Exchange Theory (Blau, 1964) which suggests that employees' relationships with their leaders are established based on reciprocity, that is, the extent to which employees feel loyal, committed, and engaged in the organization will also depend on the level of empathy, support, and emotional understanding that their leaders show them.

The significant correlation between EI Leadership and organizational outcomes ($\beta = 0.567$, $p = 0.001$) indicates the theoretical framework of the present study could be confirmed with good empirical evidence. Goleman and Cherniss (2024) report that numerous studies have now gone on to demonstrate a variety of advantages that occur when leaders, teams, and employees embody EI, based on a study of hundreds of organizations. These benefits can be seen in increased performance, job satisfaction, reduced employee turnover, improved engagement and morale, increased organizational citizenship behaviour and the hard facts of greater profit and growth.

Results of a meta-analysis that combined results of 12 studies and 2,764 participants revealed that the more a leader had on their own in terms of EI, the more effective their workers were, and that the effect of leader EI was a very large one that was consistent across all cultures in the world. A larger meta-analysis that combined results from over 65,000 entrepreneurs revealed that the remunerative outcomes of the entrepreneurs (financial success, firm growth, and firm size) were linked to EI effects that were more than double those linked to IQ. The results of these findings are very colourful and sustainable to the findings of the present study which leads to a conclusion that EI is not only a desirable soft skill but it is a key factor for organizational success.

The results suggest that Job Satisfaction makes a significant contribution to organizational feedback ($p = 0.004$) which is consistent with the considerable empirical literature on the subject. Othman et al. (2024) found a significant, moderately positive relationship between EI and organizational commitment, as well as between job satisfaction and organizational commitment, among first-line nurse managers in Qatar. Their study findings indicate that improving the EI of managers may lead to better organizational commitment level, job satisfaction and hence organizational outcomes.

These results have been replicated in recent studies by Almeida et al. (2024) who found that the perception of their leaders' EI level and leadership effectiveness is a significant predictor of employee satisfaction, and that employees who consider their leaders to be more effective

and have higher EI levels are happier at work. This research identified five key areas of EI; self-awareness, self-regulation, self-motivation, empathy and social skills that are all important in the understanding of the relationship between EI and leadership effectiveness and consequently employee satisfaction.

Compensation and Benefits significantly positively affects organizational feedback ($p = 0.0495$), which is consistent with the reality that employee perceptions of how fair their compensation systems are, has a positive effect on their overall experience with the organization. Employment relationship is assessed based on leadership effectiveness, EI, but also on tangible aspects like salary, benefits and recognition. The results of this finding are in line with Herzberg's two factor theory, which categorizes the two factors that determine whether a person will be motivated or not: hygiene and motivational. Competitive compensation and benefits, coupled with emotionally intelligent leadership, increases the likelihood that positive organizational behaviour can be encouraged at the organization.

The regression results showed that Company Mission/Values and EI Leadership significantly predict organizational feedback, which was in line with the research on the mediation effect of EI in organization behaviour. King David et al. (2025) identified that emotional intelligence significantly influences the effectiveness of leadership by enhancing interpersonal trust, communicative coherence and collaborative problem-solving. They found that both EI and leadership are needed to address the unpredictable dynamics of today's organizations, but that EI and leadership working together creates a powerful, comprehensive conceptual framework to facilitate sustainable, participative and emotionally responsive transformation.

The Transformational Leadership Theory (Bass, 1985) also supports this mediating role, as it states that leaders inspire, motivate and influence followers to perform beyond their capabilities. Transformative leaders rely heavily on EI as their leadership style, as these leaders must possess an emotional appeal, vision, empathy and understanding to employees.

Theoretical Implications

The following are some important theoretical contributions of this study in the field of EI within the organizational context. Firstly, it offers empirical evidence for Goleman's Emotional Intelligence Theory (1995, 1998) as the competencies of EI (self-awareness, self-regulation, motivation, empathy and social skills) have been found to be important predictors of leadership effectiveness and organizational outcomes. The results showed that leaders who scored high in EI know the employees' emotional needs better and have opportunities to establish positive working relationship that fosters cooperation and trust among employees.

Secondly, the study continues with the use of the Ability Model of Emotional Intelligence (AEI) developed by Mayer and Salovey (1997) in organisational settings. In this model, EI is a cognitive ability that consists of four skills: perceiving emotions, using emotions to facilitate thought, understanding emotions and managing emotions. In the workplace, they can help leaders respond appropriately when dealing with emotional situations, handle conflicts in teams and motivate employees. The results of the present study corroborate these emotional skills with measurable organizational results.

Third, the study is one of the growing literatures on distributed leadership and EI. Distributed leadership and enhancing collective agency are discussed by King David et al. (2025), alongside emotional intelligence, which provides skills and knowledge that enable actors to interpret, regulate and respond to the emotional complexities involved in organizational processes. This synergy is supported by the findings of the present study, which showed that competencies in EI can improve leadership effectiveness in organizational settings.

Fourth, the results are consistent with Social Exchange Theory (Blau, 1964) that suggests that work relationships are formed as a result of reciprocity. Empathy, support, fairness and emotional understanding are characteristics of EI that leaders must exhibit to make people feel appreciated and valued, and thus motivate them to behave as loyal, committed and organizational citizens. This theoretical framework can be used to understand why emotionally intelligent leaders are able to foster trust and cooperation within teams and thereby improve organisations productivity by influencing the psychological relationship between the leader and the members of the team.

Practical Implications

- Organizational outcomes were significantly predicted by EI leadership ($\beta = 0.567$, $p = 0.001$), demonstrating the importance of incorporating EI training into leadership development programs. Programs should take place that increase leaders' self-awareness, self-control, empathy and social skills should be invested by the organization. The Yale Center for Emotional Intelligence has found that research shows that emotion skills can be taught and learned within the context of work successfully, especially with professional development for leaders. Leaders and managers should demonstrate emotional intelligence skills, recognising the impact of their behaviour on others, listening to others and supporting staff to deal with issues and manage conflict. This is especially significant because studies have shown that workers who have leaders with EI make better performance, earn more merit-based bonuses, attain higher levels in the company, and receive more recognition for their work.

- HR practices should be planned to meet the emotional and tangible needs of employees based on the significance of the HR variables in predicting organizational outcomes, as evident from the low p values of Job Satisfaction ($p = 0.004$), Work Environment ($p = 0.000$), and Compensation and Benefits ($p = 0.0495$). Workplaces must be structured in a way that promotes emotional wellbeing and acceptance of their workers. This involves promoting open lines of communication, opportunities for development, and equitable pay. The results also indicate that the choice of organisation should include emotional attitude and emotional intelligence partly because the emotionally intelligent members of the team are perceived as being part of a harmonious work environment and experience less burnout.

- The correlation between Work Environment and organizational feedback emphasizes the need to develop positive organizational cultures. The importance of a leader's emotional intelligence goes beyond just business performance to optimal well-being, as research has shown that when leaders manage their emotions and show employees empathy, the employees will not burn out at high stress levels. (Goleman and Cherniss, 2024) Emotional climates where employees feel psychologically safe, supported, and motivated to do their best should be a major concern for organizations. This is consistent with studies proving that less turnover resulting from greater employee satisfaction and engagement and better problem-solving ability are indirect benefits to the organization.

- The study results are especially relevant for the high-pressure industries, where the emotional demands are great, like the hospitality and healthcare sectors. The results of the research suggest that the emotionally intelligent leader in such sectors can have a significant impact on employee retention and general performance (Hur, Moon, Han 2016). The positive relationship between the EI of employees and job satisfaction and organizational commitment found in this study is in line with other studies conducted in healthcare reported by Othman et al., 2024, who indicated that improving the EI of first-line nurse managers has the potential to improve organizational commitment, job satisfaction, and healthcare outcomes.

Future Research Directions

Based on the results obtained from this study, some ideas for further research are suggested. Further research is recommended to conduct larger and more diverse sample sizes from different industries and geographic locations to increase the generalizability of the results. Second, longitudinal research designs, which include examining the causal relationships and the temporal nature of EI's influence on organizational behaviour are required to explore this. Third, comparative analyses between cultural contexts would be useful to gain insights into the impact of cultural norms and values on the link between EI and organizational outcomes. Fourth, mixed-methods approaches that included qualitative data may yield more detailed information about the means by which EI impacts organizational behaviour. Finally, research that explores how organizational factors like organizational politics (Ullah et al., 2022) moderate the effects of EI on organizational behaviour will deepen the understanding of the boundary conditions of EI's effects on organisational behaviour.

Conclusion

The empirical findings from this study suggest that Emotional Intelligence is a critical aspect that can significantly impact organizational behavior, as it positively affects leadership effectiveness, work environment, job satisfaction and employee engagement. The results highlight the importance of EI-driven leadership to predict positive organizational outcomes, with work environment as the strongest predictor of organizational feedback. Job satisfaction, compensation and benefits, and EI leadership are all important factors that highlight the need to look at both the emotional and tangible experiences of employees. These results expand various theories such as the Goleman's EI Theory, the Mayer and Salovey's Ability Model, Social Exchange Theory and Transformational Leadership Theory, to the organizational context.

Recommendations:

1. Organizations ought to invest into emotional intelligence training programs.
2. Empathy, communication, and emotional regulation should be stressed in the development of leadership initiatives.
3. The policies ought to aim at limiting vulnerable jobs and assimilating youth into organizations.

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