Theoretical framework of the Relationship between Emotional Intelligence and Effective Leadership to Ensure Sustainability

Augusty P.A. Jain Mathew

Abstract—There is little argument about the need for sustainability. Organizations around the world have now understood their role in contributing to the broader goals of, environmental and social sustainability. While financial sustainability of the organization has always been the key purpose. In order to identify, implement and promote sustainable practices, leadership support is critical. This not only includes the current set of leaders but the future leaders of the organization as well. Thus, there arises a need to identify the key competencies and skills that contribute to effective leadership and to ensure that the training of future leaders focuses on the same. The current paper reviews theories in the area of Leadership and their evolution. Based on the proposition by key theorists in the area of leadership, the proposed theoretical framework links the dimensions of effective leadership to the dimensions of emotional intelligence. The purpose of the study was to establish a theoretical relationship between Emotional Intelligence, Effective leadership and sustainability. The proposed model is based on existing theories in the respective areas and the researchers hope that future research would work to provide empirical evidence for the same. This would ensure that the leadership pipeline is designed to promote the skills required to create and run a sustainable organization.

Index Terms—Emotional Intelligence, Leadership Effectiveness, Theoretical review, Sustainability

1 INTRODUCTION

Leadership is a process of interaction that requires a leader to influence the behaviour and attitude of his followers, in order to achieve a goal [19]. Thus, the leader is expected to convince and motivate his followers to work towards the achievement of the common goal. The above definition suggests that “convince” is a key requirement and [19], further suggested that this definition of Leadership implies that it is, intrinsically, an emotional process. The leader must identify and understand the emotional state of the follower, behave accordingly and influence or change the state so as to move towards the attainment of goals. Thus, the leader must influence the Emotional climate in order to influence team performance.

This explanation proposes that the leader must possess a significant level of Emotional Intelligence. Emotional intelligence enables leaders to concentrate on progress; strengthen commitment and work culture with trust and mutual respect. [14], defined emotional intelligence as “the ability to monitor one’s own and other’s feelings and emotions, to differentiate among others and to use this information to guide one’s thinking and action”. The key terms in the above definition appear to be to “monitor”, “differentiate” and “guide”, again suggesting a collaborative relationship. The five elements of emotional intelligence are interconnected with the essential features of transformative leadership, making a person capable of responding appropriately in any given situation for goal achievement and self-satisfaction.

[14] advocated that Emotional Intelligence is a necessary requisite for an effective leader. However, his suggestion was heavily criticized for the heavy reliance on the need to persuade [23]. Based on his proposition, this study explored the relationship between the dimensions of transformational leadership and emotional intelligence. In this study particular emphasis was given to explore the theories in the area of leadership. The theoretical framework led to the formation of the proposition that Emotional Intelligence is strongly related to Leadership Effectiveness. This was primarily established by comparing the elements of effective leadership, as given by the Bass Theory of Transformational Leadership [3] and the dimensions of Emotional Intelligence [14].

2 REVIEW OF LITERATURE

The definitions of Sustainability draw from the Brundtland Commission: “Meeting the needs of the present without compromising the ability of future generations to meet their own needs” [32]. Most definitions of sustainability propose that there are three focus areas of economic sustainability, social sustainability and environmental sustainability [8],[1]. The first area of economic sustainability is related to the financial success of the organization. The need to make profits is a primary need of any organization, in order to survive. Social sustainability is related to the social or humanitarian responsibilities of the organization. This may include the companies support in dealing with poverty related issues or fighting diseases like HIV or providing education to the economically backward classes. The last dimension is that of environmental sustainability. This has been gaining more importance in the last couple of years as businesses learn to quantify and take responsibility for their actions and the impact of those actions on the environment [31].
The growing threat of climate change has brought attention to the interdependence between the three pillars [29], [31]. While some organizations are still not clear on whether the resolution of the environmental and social issues are to be the responsibility of the organization, there is consensus on the benefit of such actions [1]. The steps taken by the organization, aimed at the greater good, send a positive signal to its stakeholders and create a positive image of the organization. This positivity has also been found to influence the performance of the organization, increase customer loyalty and provide competitive advantage [26], [27]. As the level of interest and awareness in sustainable practices increases, there is a need to embed sustainable practices in all dimensions of the organization. This task must be driven by the leadership and inculcated in the culture and practices of the organization. The relationship between the leadership, sustainability and final outcomes has been illustrated in the model provided in Figure 1 [9].

Thus, the role of the leadership, present and future, is key in transforming the organization and providing sustainability.

This brings to light the need to understand effective leadership and how to create responsible leaders. Researchers and psychologists are constantly proposing new theories of effective leadership. One major reason for the changing perspectives has been a change in the characteristics of the employees. Today’s knowledge worker is unlikely to respond well to a dictatorial style of leadership, proposed previously. Given the constantly changing nature of the employee and expectations from leadership, the way the leader is supposed to behave, treat and function is constantly changing. This section provides a brief overview of the theories that pertain to Leadership and Emotional Intelligence.

2.1 Leadership

Great Man Theory (1840s)

One of the first leadership theories to be proposed was by [6], in his book. He proposed that leaders are not made but are born and only those few who are born with the competencies, can lead. His theory suggested that leadership traits are intrinsic in nature and it is the person’s destiny that will decide if they would lead. The theory received heavy criticism from many philosophers as it suggested that leaders were part of a niche group that one could not gain membership to, unless born into it. [28] argued against this theory and claimed that the leaders referred to in the theory, were simply “products of their time and results of the social conditions that prevailed.”

Trait Theory (1930's - 1940's)

The second group of theories that gained prominence belonged to the category of trait theories. These theories suggested that the key factor that decided if somebody was a leader or had the potential to be a leader, was the traits that they possessed. This implied that people were either born or made with certain qualities and if those qualities were similar to the qualities of a good leader, they would succeed as leaders. The key improvement in these theories was that it suggested that leaders can also be created by inculcating or training people with certain key qualities like creativity, a sense of responsibility and similar values would allow anyone to become a leader. Gordon Allport, one of the leading trait psychologists defined traits as “a generalized and focalized neuropsychic system (peculiar to the individual) with the capacity to render many stimuli functionally equivalent and to initiate and guide consistent (equivalent) forms of adaptive and expressive behaviour”. Thus, leaders were not considered an elite group of people, born to lead, but were also a product of time and prevailing conditions. Researchers from this school of thought, worked to identify the set of traits that were key for effective leadership. This was achieved by analysing different mental, physical and social characteristics. The trait theory found opposition in behaviourists and made way for the Behavioural theories of leadership.
Behavioural Theories (1940's - 1950's)
Behavioural theorists proposed that the makings of a leader were in their behaviour and not their traits. This implied the way the person behaved would decide if they were a good leader and not their inherent characteristics. Thus, the behavioural theories differed from the trait theories as they offered a perspective which suggested that leaders were not made by their characteristics but by their behaviours. How the person behaved, decided if they were leadership material or not. The theories suggested that there were two main categories of leaders; people oriented and task oriented. The first group consisted of those who were more focused on the relationships that they created with their followers and the second group consisted of leaders who were supposed to be more focussed on the completion of tasks. Researchers in this period evaluated and identified the behaviours that were common to successful leaders. They suggested that leaders are made and not born and people who received the right kind of development could assume the role of a leader [30], [4].

Contingency Theories (1960's)
The Contingency theories propose that every situation requires a different style of leadership and that there is no one right way. This is in contradiction to the previous theories which suggested that the traits and behaviours of the person were the main characteristics that made the leader. These theories suggest that in every situation there is a required behaviour or set of traits that are required and that different people would excel in different situations. [17], [18] Situational Leadership Theory suggests that “the level of task orientation or relationship orientation required from a leader would depend on the maturity of the follower”. [10], [11] in his Contingency theory proposed that the relationship between traits of the leader and the effectiveness of the leader would be moderated by a number of factors like their power position, task structure, and leader-member relations and that the effectiveness of the leader was dependent on a number of situational factors.

Transactional leadership Theories (1970's)
The next set of theories to be proposed in the field of leadership was the transactional theories. Transactional theorists viewed the relationship between the leaders and followers as a series of transactions. They proposed the use of rewards or punishments to ensure the support of the followers or team members. Thus, the leader was considered responsible for creating an environment where the individual goals and organizational goals are aligned and then all favourable behaviours were to be rewarded and detrimental behaviour to be punished. One of the prominent theories of this school of thought is the Leader Member Exchange Theory [15]. The theory proposed that the relationship was characterised by three phases of Role Taking, Role Making and Routinization. However, the theory does not consider the personal characteristics of the people in the relationships and treated the relationship only as simple transactions.

Transformational Leadership Theories (1970s)
The transactional theories were contested for treating the leader-follower relation as a set of transactions and not considering the personalities involved in the equation. This led to the creation of the Transformational Leadership theories. The Transformational Leadership theories propose that “interactions and relationships create a sense of trust and this leads to increased motivation for both the leader and the follower”. Thus, the personality and nature of the leader plays a key role in deciding the effectiveness of the leader by deciding the quality of the interactions between the leader and the follower. According to [5], "the result of transforming leadership is a relationship of mutual stimulation and elevation that converts followers into leaders and may convert leaders into moral agents". Thus, while in Transactional Leadership, the leader is the centre and drives the relationship, in transformational leadership the emphasis is on collaboration.

According to [3], there are four features of Transformational Leadership and these features differentiate transformational leadership from transactional leadership. The features include idealized influence, inspirational motivation, intellectual stimulation and individualised consideration. These have been shown in Figure 2.

Idealized Influence implies that leaders are to act as role models for their followers. They are expected to possess a charismatic personality, a strong value system and be ethical in their behaviour and actions. Inspirational motivation means the leader can inspire and motivate his followers. The leader is also expected to involve the team members in all planning and decision making activities and to encourage creativity and innovativeness. Finally, the leader must respect the individuality of every member and give due consideration to their unique needs, strengths and weaknesses.

Transformational Leadership style has been popularly accepted as the most effective style of leadership, however it has also been criticized for its emphasis on consensus building. Most practitioners argue that some situations would not allow the leader the liberty of time to build consensus. The benefits of this style of leadership include improved subordinate satisfaction [16], trust in leadership [2], employee commitment [2] and business unit performance [13].
2.2 Emotional Intelligence

The term, emotional intelligence was coined by [21]. The framework proposed in their study included a set of skills that were described as “relevant to the accurate appraisal and expression of emotion in oneself and in others, the effective regulation of emotion in self and others, and the use of feeling to motivate, plan, and achieve in one’s life.” The definition suggests that there are two distinct sets of processes of thinking and feeling that work together. This definition of Emotional Intelligence focuses on the individual’s cognitive capabilities and awareness with respect to their emotions, this includes the level to which they are able to cognitively manage their emotions. This theory also created interest in measuring the level of Emotional Intelligence.

There are two prominent schools of thought with regards to Emotional Intelligence. The first category expresses emotional intelligence as a set of ability models [7]. These models consider Emotional Intelligence purely as the individual’s cognitive ability to assess and process emotions. These models treat Emotional Intelligence as any other form of Intelligence. The second category of models treats Emotional Intelligence as a combination of cognitive abilities, behaviours and traits. This category has been termed as “mixed models” [20].

Mayer and Salovey [22] provided one of the most popular models of Emotional Intelligence. They suggested a four arm model. The four arms include identification, using emotions, understanding emotions and managing emotions. However, the concept of Emotional Intelligence was popularised by Daniel Goleman. According to [14], “At best IQ contributes about 20% to the factors that determine life success, which leaves 80% to other forces...No one can yet say exactly how much of the variability from person to person in life’s course it accounts for. But what data exist suggest it can be as powerful, and at times more powerful, than IQ.” In his initial model, [14] suggested five dimensions of Emotional Intelligence. These were Self Awareness, Self-Regulation, Motivation and Empathy. This model was later modified and the five dimensions were combined to give four: Self-Awareness, Self-Management, Social Awareness, and Relationship Management [14]. This was done to make the measurement of emotional intelligence easier by reducing the number of statements in the instrument.

[14], proposed that the level of emotional intelligence would predict the effectiveness of the leader. He argued that Emotional Intelligence was a necessary prerequisite to be effective as a leader. His model of Emotional Intelligence consists of five elements; Self-awareness, Self-regulation, Social skill, Empathy and Motivation, as shown in Figure 3. Based on the definitions of the elements of leadership and emotional intelligence, the researchers of this study propose that the level of emotional intelligence is strongly related to the effectiveness of the leader.

2.3 Levels of Emotional Intelligence

The first element is that of idealized influence. This element requires the leader to behave as a role model, ethically and have a strong value system. This can be achieved through the dimensions of Self-Regulation, Self-Awareness and Motivation. That is, the leader must be aware of one's emotions, strengths, weaknesses, drives, values and goals. At the same time be in control of their emotions and motivated to achieve for the sake of achievement.

The second element of inspirational motivation can be achieved by building on the dimensions of Motivation and Social Skills. The leader must be aware of how to communicate and motivate people to move in the desired direction. Intellectual stimulation can be achieved through Empathy or an understanding of the individual needs. This would also need the leader to score high on Social Skills to enable effective communication. Finally, individualised consideration would call on the dimensions of Empathy, Social Skills and Self-Awareness.

While all elements require a degree of each dimension, the above analysis establishes a basis for the proposition that the level of Emotional Intelligence is related to the level of Leadership Effectiveness. This relationship has further been analysed using the method of Meta-Analysis.

3 RESULTS AND DISCUSSION

Through the Systematic review of literature, the researchers proposed a theoretical framework for the relationship between Emotional Intelligence and Leadership Effectiveness. The framework is based on the definitions provided for the elements of effective leadership, by the Bass Theory of Transformational Leadership [3] and the dimensions of Emotional Intelligence [14]. Based on the definitions provided by the two researchers, the elements of effective Leadership were linked with the different dimensions of Emotional Intelligence.

The first expectation from the leader, is Idealized Influence. Idealized Influence suggests that the team members or followers would view the leader as a role model. This may be achieved through the leader's willingness to take risks and function according to a set of values, convictions and ethical principles. This behaviour corresponds to the definition of the dimensions of Self-awareness. According to [14], Self-awareness implies being aware of one’s strengths,
weaknesses, goals, values and ethics. Self-regulation on the part of the leader would also help in managing emotions and feelings and ensure that the right thing is done. The dimensions of Motivation would guide the setting of the goals and are beneficial for all and in the interest of everyone. Together, the presence of the three dimensions would guide the leader to behave in a manner that he may be considered as a role model for his followers.

The second element suggests that it is the responsibility of the leader to provide Inspirational Motivation. Thus, a leader must inspire confidence, motivate and help the team understand the larger purpose of their work. This would require the leader to demonstrate Social Skills that would allow the effective communication of goals and decisions. This would help the leader to direct and motivate his team in the required direction. [20]. Additionally, the leader would have to be high on the dimension of Motivation, so as to ensure that goals are set and achieved for the right reasons. While the use of emotions has been proven to improve cognitive processes and support better decision making [12], they have been found to be far more effective in the process of motivating followers. This is achieved by making the leader emotionally available to the team members.

The third expectation from the leader is Intellectual Stimulation and Creativity. This would require the leader to first understand individual personalities and needs and then involve the team members in the process of decision making and planning. It is also expected that the leader would provide feedback in a positive and constructive manner and resort to criticism. The presence of the dimensions of Empathy and Self-Regulation would enable the leader to fulfill this requirement [24]. Leaders who score high on empathy are better equipped to understand the distribution of power in different relationships and understand how power influences feelings and behaviours [21]. They are able to behave appropriately, bearing in mind the needs and feelings of the other person. Empathy is extremely essential in the process of creating social support and maintenance of positive relationships [12]. In their study evaluating the role of emotional and cognitive competencies in the perceived effectiveness of the leader, [19] reported that empathy was strongly related to perceived effective leadership. This implies that the ability of the leader to understand their feelings and function, accordingly contributed to the follower’s perceptions of the effectiveness of the leader. An empathetic leader was found to be more receptive to the diverse opinions and ideas and the process becomes more participative and the environment more conducive to team work. [12], [22]. The final expectation is that of Individualized Consideration. All team members require the leader understand that each of them is different with unique needs and drivers. This corresponds to the dimensions of Motivation, Social Skills and Self-Awareness [21], [22], [20] in their study found that “the ability to identify ones’ emotions and feelings also enables one to accurately understand, identify and respond to the emotions of others.” The ability to self-regulate also enabled the leader to distinguish between true and fake emotions. The relationships between dimensions of emotional intelligence, especially empathy, and leadership have been explored in many studies. According to [22], emotional intelligence implies the possession of the ability to “recognise relationships between emotions, determine emotions’ underlying meaning, comprehend complex feelings and recognise and accept emotional fluctuation”. This definition suggests that one must first learn to identify and regulate ones’ own emotions. This has been iterated in other studies that have evaluated the relationship between Emotional Intelligence and Effective Leadership. These studies propose that the ability to understand and manage one’s own moods and emotions is extremely important and enables one to be more aware and considerate to the feelings of others. [12]. While there exists empirical evidence supporting the strong relationship between emotional intelligence and performance; different styles of leadership to emotional intelligence levels and for the proposition that Emotional Intelligence is a key competency to be developed in our leaders [14], the current study adds to the literature by equating the dimensions of emotional intelligence to the expectations from effective leaders.

4 IMPLICATIONS

This study provides both theoretical and practical implications. The practical implication of the study is the need to consider the addition of emotional intelligence training in the leadership development programs and assess and develop the dimensions of Emotional intelligence while evaluating and training current and future leaders. This is particularly important in organizations that advocate the use of a leadership pipeline. Further analysis of the causal relationship would provide greater clarity on whether Emotional Intelligence would play a stronger role in training or assessment. Theoretically, there is a need to further explore the relationship to understand the causal effect. This would add to Leadership theories and provide a basis for future research. As suggested by [14], emotional intelligence must play a more prominent role in Leadership theories in the future but its role would only be defined after further analysis is done. This would enable its categorization as an antecedent or consequence or both, of effective leadership.

5. LIMITATIONS

The study is a review based on the literature in the area. As with all Theoretical Reviews, there exist certain limitations with the current study as well. The main being that there tends to exist a publication bias. Those studies that support the proposition are more likely to be published than those that provide evidence to the contrary.

6. SCOPE FOR FUTURE RESEARCH

The current study proposes a relationship based on a review of literature. The findings of the study have established that there exists a statistically significant relationship between Emotional Intelligence and Leadership Effectiveness. Further research could establish the proposed relationships between the dimensions and the elements. This would provide
direction for Leadership Development Programs. The current study explores the correlation between the two constructs; however, in order to establish a causal relationship, a regression analysis would be appropriate. Based on the current study it would be incorrect to assume that increasing emotional intelligence would improve effectiveness. It may be argued that effective leaders tend to possess higher levels of emotional intelligence. Further the analysis of the impact would also help planning in organizations adopting the Leadership Pipeline system to prepare future leaders.

7. Conclusion

Goleman, (1998) proposed that Emotional Intelligence is a necessary requisite for an individual to be an effective leader. Based on his proposition, the researchers explored the relationship. The first step involved a systematic review of literature in the area. For this study, particular emphasis was given to explore the theories in the area of leadership. This was then followed by understanding how the dimensions of Emotional Intelligence related to the elements of effective leadership. The findings of this study provide support for the relationship. However, the establishment of a causal relationship would require further analysis. This would then provide clarity as to the role of emotional intelligence in creating effective leaders.

References


management, 140-152.

