THE ROLE OF INSTITUTIONAL ENVIRONMENT AND INDIVIDUAL SKILLS OF LEADERS ON EMOTIONAL INTELLIGENCE FOR PERFORMANCE

MAKINDE, E.
University of Lagos Business School,
Akoka, Yaba, Lagos.
elizabethmakindee@gmail.com

AKINTUNDE, O. A.
Department of Business Administration,
Faculty of Management Sciences,
University of Lagos.
Oluakintunde@unilag.edu.ng

Abstract
Emotional Intelligence (EI) is an essential factor for enhancing performance in the contemporary business world. It has been extensively researched in various fields of knowledge. This paper presents a Systematic Literature Review (SLR) of 13 peer-reviewed articles and reviews on emotional intelligence, leadership skills, institutional environment and performance from 2020 to 2024. The review aims to explore the role of institutional environment and individual skills in the utilisation of emotional intelligence for performance enhancement. The study reveals that the institutional environment plays a crucial role in utilising emotional intelligence for performance enhancement by fostering cohesive teams and loyalty, reducing employee turnover, nurturing a diverse climate, and promoting innovation capabilities. Leveraging emotional intelligence in such an environment, organisations can enhance both individual and organisational performance. Moreover, the study highlights that individual leadership skills are crucial in utilising emotional intelligence effectively to achieve performance outcomes in organisations, by effective communication, decision-making and conflict resolution, and empathy skills. With effective leadership skills, leaders can inspire and empower their teams, resulting in increased productivity, innovation, and overall increased performance. The finding of the study also underscores that institutional environment and individual leadership skills positively shape emotional intelligence utilisation, particularly when the environment is supportive. In challenging environments, leaders with effective leadership skills can still leverage the utilisation of emotional intelligence to navigate uncertainties, resolve conflicts, and foster resilience among team members. Therefore, investing in leadership development programs that emphasise emotional intelligence can yield substantial benefits in today's dynamic business landscape.
Keywords: Institutional environment, Leadership Skills, Emotional intelligence, Leadership Style, Organisational Culture

1.0   Introduction
In the contemporary landscape of business, organisations grapple with multifaceted challenges stemming from technological advancements and dynamic shifts in political, social, and economic realms. These transformations reverberate throughout companies, leaving an indelible mark on their performance and the well-being of their employees. Such a scenario necessitates a workforce equipped not only with advanced intellectual and technical capabilities but also with social and emotional competencies seamlessly integrated with their cognitive prowess (Alamri & Thabet 2023). Hence, organisations' success transcends mere technical acumen or strategic foresight; it hinges profoundly on the adept navigation of intricate human dynamics in this ever-evolving milieu of modern organisation. Amidst this backdrop, emotional intelligence (EI) emerges as a linchpin for achieving heightened performance and nurturing a thriving workplace

culture. Recognized as a critical skill set, emotional intelligence empowers individuals to collaborate effectively, enhance communication prowess, and augment their professional aptitudes (Suchitra & Sasmita, 2021). Indeed, emotionally intelligent leaders possess the capacity to cultivate a climate of inclusivity and trust, thereby fostering seamless collaboration among team members (Faisal et al., 2022). Consequently, the astute utilization of EI assumes paramount importance within the institutional environment, where leaders navigate intricate webs of relationships, resolve conflicts, and harmonize diverse perspectives.

Leaders' adept in emotional intelligence not only navigate their own emotions skilfully but also empathize with their team members, comprehending their viewpoints with clarity. Thus, the individual skills of leaders, encompassing self-awareness, self-regulation, empathy, and effective communication, serve as foundational pillars for harnessing emotional intelligence to drive organisational performance. Nevertheless, the effective utilization of emotional intelligence transcends the purview of individual competencies; it is equally shaped by the institutional environment in which leaders operate. This article embarks on a journey to unravel the intricate interplay between the institutional environment, the individual skills of leaders, and the strategic utilisation of emotional intelligence to propel performance.

In the contemporary business landscape, organizational performance hinges on a confluence of various factors, prominently including the institutional environment and the individual skills of leaders. Emotional intelligence (EI), recognized for its profound impact on leadership effectiveness, emerges as a critical area of focus. However, there is a noticeable gap in the literature regarding how the institutional environment and individual leader skills synergistically influence EI and, consequently, organizational performance. This study aims to investigate this intersection, focusing on the role that the institutional environment and individual leadership skills play in enhancing EI, and how this enhancement translates to improved organizational performance. The institutional environment encompasses the organizational culture, policies, and support systems that can either foster or hinder the development of EI in leaders. Meanwhile, individual skills such as communication, empathy, and self-regulation are intrinsic to the manifestation of EI. Understanding the dynamic interaction between these external and internal factors is crucial for developing comprehensive strategies that bolster leadership effectiveness and organizational success. The research seeks to address several critical questions: How does the institutional environment influence the development of EI in leaders? What specific individual skills are most instrumental in fostering high levels of EI? And how do these factors collectively impact organizational performance? By exploring these questions, the study aims to provide insights that can inform the design of leadership development programs and organizational policies, ultimately leading to enhanced performance and competitive advantage. This research problem is significant in its potential to bridge theoretical gaps and offer practical solutions for organizations striving to cultivate emotionally intelligent leaders and achieve superior performance.

The main objective of this study is to explore the role of institutional environment and individual skills of leaders on institutional environment and individual skills for performance. The specific objectives are to:

i. Investigate the role of the institutional environment in the development and utilization of emotional intelligence among leaders and its impact on performance.

ii. Assess the role and influence of individual leadership skills, such as self-awareness, self-regulation, motivation, empathy, and social skills, on the application of emotional intelligence for performance enhancement.

iii. Explore the interactions between the institutional environment and individual leadership skills in shaping the effectiveness of emotional intelligence utilization for organizational performance.

2.0   Literature Review
2.1 Theoretical review

Two significant theories that have shaped our understanding of EI are the Ability Model by Peter Salovey and John Mayer and the Mixed Model by Daniel Goleman. The Ability Model, proposed by Mayer, Salovey, and Caruso (2000) conceptualizes emotional intelligence as a set of four interrelated abilities. These abilities are essential for processing emotional information and using it to navigate the social environment effectively. The first ability is perceiving emotions, which involves recognizing emotions in oneself and others through facial expressions, tone of voice, and other nonverbal cues. This foundational skill allows individuals to gather accurate emotional data (Mayer & Salovey, 1993). The second ability, using emotions, refers to harnessing emotions to facilitate various cognitive activities such as thinking and problem-solving. Emotions can prioritize thinking by directing attention to important information, thus enhancing decision-making processes. The third ability, understanding emotions, encompasses comprehending emotional language and appreciating complicated relationships among emotions. It involves recognizing how emotions evolve over time and predicting future emotional states (Mayer & Salovey, 1993). Finally, managing emotions pertains to regulating one's own and others' emotions to foster emotional and intellectual growth. This ability enables individuals to stay open to feelings, even if they are unpleasant, and to modulate emotions in oneself and others to achieve personal and social goals (Mayer, Salovey & Caruso (2000).

On the other hand, Daniel Goleman's Mixed Model of emotional intelligence broadens the scope by incorporating emotional competencies and social skills into the framework. Goleman identifies five key components of EI. The first, self-awareness, is the ability to recognize and understand one's own emotions, drives, and their effects on others. This self-awareness creates a foundation for self-regulation, the second component, which involves managing one's emotions and impulses and adapting to changing circumstances (Goleman, 2020).

The third component, motivation, refers to the inner drive to pursue goals with energy and persistence. Individuals with high emotional intelligence are typically highly motivated and committed to achieving their objectives. The fourth component, empathy, involves recognizing, understanding, and considering other people's emotions, which is crucial for building and maintaining relationships. Finally, social skills encompass managing relationships to move people in desired directions, whether it's leading, negotiating, or working as part of a team (Goleman, 2019). .

2.2 Conceptual review

There are two predominant perspectives regarding emotional intelligence. The first, known as the ability model, defines emotional intelligence as a collection of cognitive abilities focused on assessing and processing emotions. This model, proposed by Mayer and Salovey in 1997, outlines a four-arm framework encompassing the identification, utilization, comprehension, and management of emotions. Individuals under this model are adept at recognizing and regulating their emotions, as well as those of others they interact with, thereby making informed decisions about their emotional responses in various situations (Drigas & Papoutsi, 2018). McClellan, Levitt, and DiClementi (2017) suggest that the primary emphasis of the ability model lies in regulating and reflecting on emotions to foster emotional growth, prioritizing the understanding and analysis of both internal and external emotions.

In contrast, the second perspective views emotional intelligence as a blend of cognitive abilities, behaviours, and traits, referred to as "mixed models," notably popularized by Daniel Goleman.. Emotional intelligence is defined by Goleman's 1998 model as the ability of a person to identify, comprehend, and regulate their own emotions as well as those of others. According to this concept, emotional intelligence includes traits like self-awareness, self-control, social awareness, and managing relationships and serves as a supplement to a person's general intellect. An individual's emotional abilities are assessed using the related assessment instrument, the

emotional competence inventory, according to behaviours seen across several categories (Drigas & Papoutsi, 2019).

The Bar-On model, a different hybrid model, approaches emotional intelligence from a psychological perspective and focuses on social skills that affect performance. The idea of emotional-social intelligence, which includes a person's capacity for successful interaction and socialization in a variety of settings, is fundamental to this paradigm.. The Bar-On model emphasizes four foundational abilities: awareness of one's own emotions, effective communication of emotions, self-control in interactions, and adaptability to problem-solving situations (Drigas & Papoutsi, 2019).

Overall, while the ability model underscores cognitive aspects of emotional intelligence and their regulation, mixed models such as those by Goleman and Bar-On incorporate a broader array of cognitive abilities, behaviors, and traits, aiming to capture the multifaceted nature of emotional intelligence and its impact on individual and interpersonal functioning.

2.3 Emotional Intelligence

Emotional intelligence, defined as the ability to manage emotions in social contexts, plays a critical role in decision-making and interpersonal relationships (Ayat et al., 2021). While perspectives on emotional intelligence vary, it encompasses both feelings and thoughts, influencing attitudes and behavior (Pesamaa et al., 2021). In the context of leadership, emotional intelligence is extremely important since it highlights a leader's ability to effectively manage both their own and their staff members' emotions. This comprehensive understanding of emotional intelligence goes beyond conventional leadership paradigms, acknowledging that in the contemporary organizational environment, a leader's ability to recognize and control emotions is essential for skillful guiding and team cohesiveness.

Fundamentally, self-awareness is the cornerstone of emotional intelligence, enabling leaders to recognize their feelings and understand how they impact their actions and decision-making (Krén & Séllei, 2020). Building self-awareness prepares leaders to control impulses and emotional reactions in a variety of situations by providing the foundation for self-regulation (Hartung, 2020). A wealth of studies highlights the fact that leaders who possess a high degree of awareness and autonomy are more adaptable, resilient, and composed, especially under pressure (Dhiman, 2020).

Leaders can traverse their emotional environment with accuracy thanks to the synergistic link between self-awareness and self-regulation, which promotes a purposeful and controlled strategy for leadership. As a result, leaders who exhibit these qualities are better able to keep their cool, make wise choices, and build team trust, all of which contribute to the creation of a more efficient and harmonious workplace. Saint-Louis (2020) delineates the five essential components of emotional intelligence: self-awareness, self-regulation, motivation, empathy, and social skills. These pillars are instrumental for individuals and professionals alike in advancing their capacity to achieve sustainable business objectives. This study operationalizes emotional intelligence by embracing Saint-Louis's (2020) framework, thereby providing a robust foundation for enhancing emotional intelligence in both personal and professional spheres.

2.4 Organizational Performance

According to Tafamel and Ejechi (2022), organizational performance is a means of assessing and managing an organization's output, which results from the interaction between its productive elements, ensuring the efficient and effective achievement of the organization's objectives. Organizational performance refers to the achievement of a workplace in meeting goals and missions, crucial for determining business success (Al-Tit, 2017). Thus, organizational performance involves evaluating how well an organization meets its goals in the short or long term and this information is used to ensure that the organization achieves its goals efficiently.

Organizational performance encompasses good management practices, control methods, and optimal resource utilization. Organizations use this measure in monitoring work, to identify employee performance and improve communication between employees and management; at

the same time, it is used to determine or identify any necessary training an employee requires to enhance productivity and thus, performance and overall success of the organization. Therefore, the understanding of organizational performance involves analyzing both individual and organizational dynamics.

2.5 Institutional Environment and Emotional Intelligence

Emotional intelligence stands as a crucial asset for both individuals and organizations, often regarded with equal, if not greater, importance than professional expertise (Pangerhami & Mohanty, 2021). The institutional environment encompasses external factors such as industry regulations, market conditions, and societal norms, as well as internal elements like organizational culture and climate which are governed by the structure and policies of the organization. Mlinarevic et al. (2022) define organizational culture as the prevailing values, norms, beliefs, and perceptions shared among employees. This culture shapes the overall institutional environment by shaping employee behavior and attitudes, and setting the tone for the work environment, and how employees perceive their work. Organizational culture is the shared values and beliefs among employees in a company. Experts suggest that it plays a significant role in facilitating new knowledge acquisition and technical innovation implementation. (Zeb et al., 2021).

Additionally, organizational climate is the emotional environment that impacts how employees express and experience their feelings towards the policies, practices, and procedures they encounter, as well as the actions that are encouraged, endorsed, and expected in an organization. Based on research conducted by Goh et al. (2020), the study underscores the importance of establishing organizational climate in organizations, particularly, multinational companies, to foster knowledge-sharing to enhance performance and overall success. Furthermore, the study affirmed the significant and positive impact of a supportive organizational climate on employees' creative performance. Consequently, both organizational culture and climate impact employee satisfaction and ultimately organizational performance.

Institutional environment, particularly, organizational culture, plays a significant role in shaping the context within which EI is cultivated and utilized (Alamri & Thabet 2023). The capacity to cultivate a positive organizational culture/climate, one that nurtures collaboration and unity among team members, emerges as imperative for effective leadership (Cortellazzo, Bruni & Zampieri, 2019). Thus, the institutional environment can either facilitate or impede the development and application of emotional intelligence, contingent upon its values, norms, and practices concerning emotional expression and interpersonal dynamics.

Most people agree that emotional intelligence is the intersection of psychosocial and psychological factors that have an impact on job performance (Nanda and Randhawa, 2019). When emotionally intelligent people are present, the workplace is favorably shaped, encouraging emotional regulation and pleasant interpersonal connections (Nanda and Randhawa, 2019).

Furthermore, Khokhar and Selvamurthi (2016) draw a direct correlation between emotional intelligence, organizational climate, and overall organizational success, highlighting its role in fostering employee harmony. However, this study operationalizes the institutional environment by focusing on organizational culture, norms, and policies, which serve as indicators of the prevailing values shaping the work environment, will also explore the role the institutional environment plays in utilizing emotional intelligence for performance enhancement.

2.6 Leadership and Leadership Skills

Leadership embodies the capacity of an individual to steer a group towards the attainment of shared goals, requiring a multifaceted skill set encompassing knowledge, expertise, and exemplary conduct to guide and inspire subordinates towards organizational objectives (Purnaman, Yusuf & Nuryanto, 2022). Leadership skills denote the proficiencies and insights that leaders wield to navigate successfully towards desired outcomes (Northouse, 2016). As key attributes of executives, leadership skills help them to plan organisations, make decisions, guide

teams and realize company goals such that during the process, leaders use their skills to communicate, persuade, schedule time, and monitor overall progress (Purnaman, Yusuf & Nuryanto, 2022). Thus, leaders who develop leadership skills constantly adapt ideas and behavioral approaches to improve products and services and ensure the involvement of their best talents.

Hence, Gümüş et al. (2020) elucidate that honing leadership skills towards the management of human and financial resources hinges upon recognizing leadership as the art of galvanizing others to collaborate towards a common purpose, underscored by a leader's capacity to guide individuals towards organizational goals. These skills empower leaders to direct, influence, and mentor others in achieving organizational objectives. Katz, as cited in Holsinger & Carlton (2018), delineates three pivotal categories of personal skills essential for effective leadership: technical skills, interpersonal or human skills, and conceptual skills. While personal traits define the essence of leaders, skills dictate their capacity to achieve desired outcomes. This study, however, delves into interpersonal or human skills and conceptual skills. Interpersonal or human skills revolve around adeptly interacting with individuals, entailing an understanding of human behaviour, group dynamics, and the ability to empathize with, communicate effectively with, and persuade followers, its crucial components include empathy, oral communication prowess, and persuasiveness (Holsinger & Carlton, 2018).

In contrast, conceptual skills entail proficiency in dealing with abstract ideas and strategic concepts. They encompass attributes such as sound judgment, intuition, creativity, and foresight. Leaders must possess robust conceptual skills to comprehend organizational functioning and chart its trajectory (Holsinger & Carlton, 2018). Effective strategic planning, especially crucial in times of economic uncertainty, necessitates the ability to anticipate future trends based on current insights, underscoring the indispensability of conceptual skills. A deficiency in such skills could jeopardize the entire organization, placing it at risk (Holsinger & Carlton, 2018).

In summary, both interpersonal and conceptual skills are indispensable for organizational leaders to discharge their duties effectively. They empower leaders to navigate complex human dynamics and chart strategic courses, thereby steering organizations towards success.

2.7 Emotional Intelligence, Leadership Skills, Institutional Environment and Performance

Emotional intelligence (EI) has emerged as a focal point in organizational research, owing to its potential to significantly influence individual and organizational performance (Supramaniam & Kuppusamy, 2021; Coronado-Maldonado & Benítez-Marquez, 2023). Numerous studies have delved into the correlation between EI and performance, such as the work of Alamri & Thabet (2023), who investigated its impact on organizational performance and found a positive association, particularly noting the contributions of self-awareness, empathy, and social skills. Istianingsih et al. (2020) explored the link between organisational and managerial performance, stressing the pivotal role of managers in decision-making. They found that managerial performance directly impacts organisational success, with emotional intelligence playing a crucial role. Their study, involving 44 regional device organisation leaders in Bungo Regency, employed path analysis. Results indicate both emotional intelligence and decision-making influence managerial performance, with decision-making having a slightly stronger impact. Emotional intelligence indirectly affects managerial performance through decision-making, highlighting its significance in organisational effectiveness. Managers with high emotional intelligence are adept at making strategic decisions, enhancing their management efficacy.

Additionally, scholars like Jowah & Gwebityala (2022) underscore the importance of contextual factors, notably the institutional environment and leadership skills, in elucidating how EI influences performance outcomes. Emotional intelligence assumes a pivotal role in fostering effective leadership, particularly in relationship management. Leaders adept in this aspect exhibit strong interpersonal skills, facilitating deep connections with team members. They excel in conveying information, actively listening, and providing constructive feedback, thereby

fostering loyalty and dedication among team members, resulting in heightened engagement and productivity.

Jowah & Gwebityala (2022) imply that a leader demonstrating empathy possesses a heightened ability to understand and address the needs of their team members, fostering trust and solidifying the leader-team bond. Effective relationship management, as emphasized by Dimitrova & Wiium (2021), entails using interpersonal skills to cultivate positive team dynamics, facilitating communication, issue resolution, and feedback. Such leaders foster an environment where team members feel valued and understood, contributing to a cohesive and efficient work environment. Moreover, EI not only impacts leadership effectiveness but also shapes team dynamics. Leaders attuned to team members' emotions foster an atmosphere of psychological safety and trust, promoting open communication, idea-sharing, and risk-taking, crucial for innovation, as noted by Karneli (2023). Additionally, emotionally intelligent leaders adeptly manage conflicts, mitigating tensions and preserving team cohesion. According to Ali (2021) assessing emotional intelligence in leadership positions is essential for maximizing team performance and achieving organizational goals.

In essence, leaders with emotional intelligence are instrumental in guiding teams toward organizational objectives while prioritizing the well-being of team members, fostering an environment conducive to both success and fulfilment.

Studies have repeatedly shown that performance, successful leadership, and emotional intelligence (EI) are positively correlated (Supramaniam & Kuppusamy, 2021; Coronado-Maldonado & Benítez-Marquez, 2023). In the end, EI improves organizational success by serving as a mediating element between performance and leadership effectiveness (Adekunle & Oke, 2023). The idea that emotional intelligence (EI) strongly corresponds with organizational efficiency is supported by empirical evidence, which has led to increased emphasis on the roles played by the institutional environment and individual leadership abilities in utilizing EI to improve performance. A sizable body of research highlights the critical role that emotional intelligence (EI) plays in leadership success, even though certain publications may present weaker evidence (Md-Sahidur-Rahman et al., 2020). Numerous studies demonstrate the importance of emotions in interpersonal dynamics despite empirical constraints, emphasizing individual differences in emotional regulation and perception and underlining the importance of emotions in studies about leadership (Belfanti, 2017).

Thus, the conceptual framework of this research, as illustrated in Figure 1, shows how the institutional setting and a leader's leadership abilities interact with the efficient use of emotional intelligence to produce performance. A key component is emotional intelligence, which is operationalized through drive, self-control, self-awareness, empathy, and social skills. This framework is complemented by leadership skills, which are operationalized here as interpersonal and conceptual skills, and the institutional environment, which is measured by the corporate climate, and includes its structure, values, and policies. This highlights the complex interactions between emotional intelligence, the institutional environment, individual leadership skills, and organizational performance.
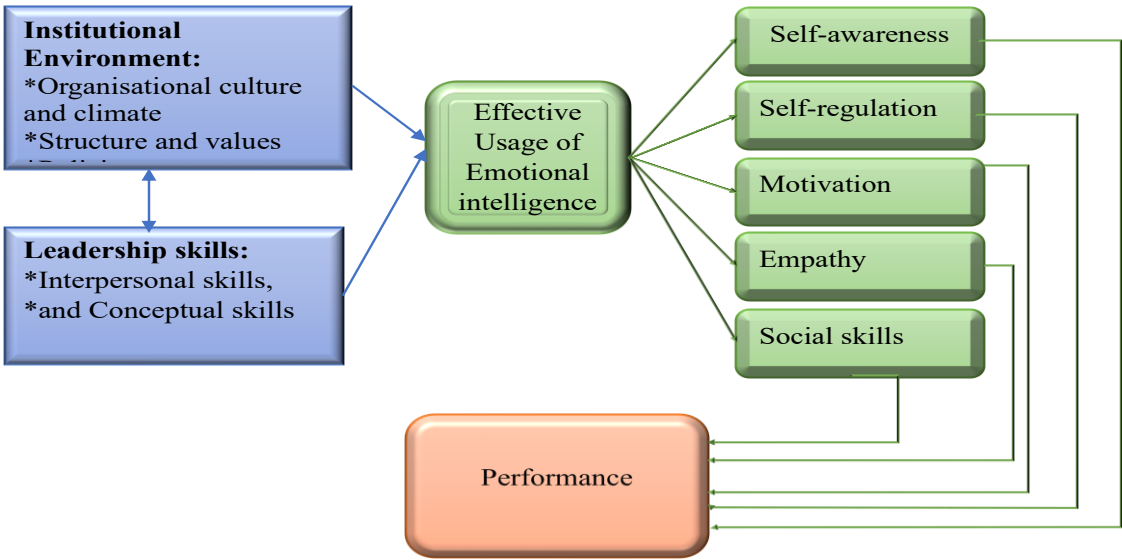
Figure 1. The conceptual framework of emotional intelligence, institutional environment, individual skills, and performance

3.0 Methodology

This study conducts a Systematic Literature Review (SLR) to examine the role of institutional environment and individual leadership skills in utilizing emotional intelligence (EI) for performance enhancement. Utilizing databases like Google Scholar, IEEE Xplore, and MDPI, thirteen (13) relevant papers from 2020 onwards are selected based on predefined review questions. The screening process involves rigorous selection and filtering, adhering to established guidelines by Moher et al. (2015) (See Figure 2 for details) and employing exclusion criteria such as irrelevance to EI, outdated research, narrow scope, and publication bias. The study categorizes selected papers using a method outlined by Petersen et al. (2008), grouping them based on research objectives and keywords like "Emotional Intelligence," "Institutional environment," "Organizational culture," Organizational Performance" and "Leadership skills." This categorization aids in organizing the literature and extracting pertinent information for analysis.

The inclusion criteria prioritize studies relevant to EI, particularly focusing on the role of institutional environment and individual leadership skills, such as self-awareness, empathy, and emotional regulation, in enhancing performance. Additionally, interdisciplinary insights and studies emphasizing interactions between the institutional environment and individual leadership skills are considered. The study employs a meticulous approach to ensure the selected literature contributes unique perspectives to the research objectives, maintaining focus within the specified timeframe. Exclusion criteria aim to refine the selection, excluding irrelevant or outdated content while prioritizing studies addressing EI and its interaction with institutional environment and individual leadership skills.

In the final phase, information relevant to the research questions is gathered from the selected research papers and catalogued into a comprehensive table, Table 1 which presents five data items extracted from the selected papers. This extracted data facilitates organization and analysis, enabling a thorough examination of previous researchers' methodologies, findings, and proposed solutions. By adhering to a systematic approach, including rigorous selection criteria and categorization methods, this study aims to provide an unbiased and transparent evaluation of research on the utilization of emotional intelligence for performance enhancement, with a specific focus on the role of institutional environment and individual leadership skills.

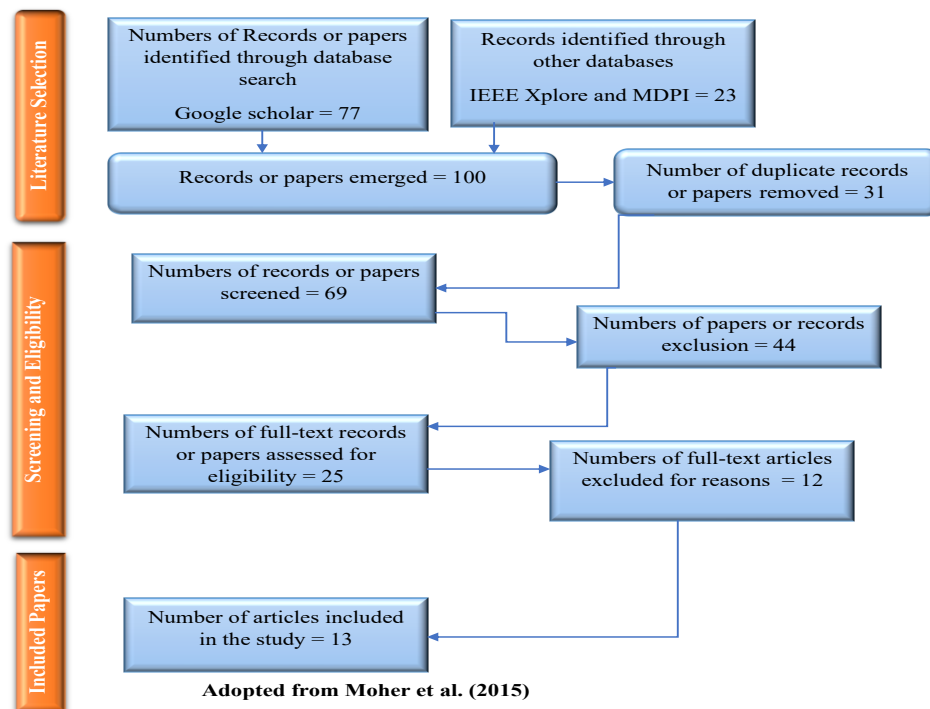**Figure 2 PRISMA chart for reporting systematic reviews**

Adopted from Moher et al. (2015)

Table 1 Extracted data items

S/No	Data Item	Description
1	Authors' Name	The authors of the paper
2	Year	Publication year of the paper
3	Study domains	The main focus of the paper.
4	Publication Type	Type of papers
5	Paper contributions	Main contributions of the paper

4.0 Results

The systematic review identified 100 papers through predefined search criteria, with 69 papers remaining after initial screening based on titles. Further scrutiny excluded 44 inaccessible papers, leaving 25 for eligibility assessment. Abstracts, summaries and other relevant sections were screened, resulting in the final selection of 13 papers for in-depth analysis. Table 2 includes the list of selected papers and extracted data items.

Table 2 List of selected papers

S/N	Authors	Year	Publication Type	Use case
1	Neong, Isa & Abdul Manaf	2022	Journal	EI & Organizational Culture
2	Nilam & Madagamage	2022	Journal	EI & Organizational Performance with the Moderating Effect of Organizational Culture.
3	Watanabe et al.	2022	Journal	EI and project success: the modifying impact of organizational culture and the mediated impact of team cohesion
4	Jegerson et al.	2024	Journal	EI, the moderating influence of cultural innovation capacity, and the mediating effect of diverse environments in innovation in services.
5	Deepa	2020	Journal	Leadership skills and employee performance.
6	Purnaman, Yusuf & Nuryanto	2022	Journal	Impact of instruction and supervisory abilities on worker performance through the medium of creative ability
7	Lee et al	2022	Journal	EI, leadership and job performance: A mediator model of trust.
8	Yadav	2021	Journal	Emotional Intelligence and Leadership
9	Almahdali et al	2021	Journal	Servant Leadership, EI and Self-Efficacy, Organizational Citizenship Behavior and Employee Performance.
10	Çayak & Eskici	2021	Journal	EI, School Principals' Sustainable Leadership Behaviors and Diversity Management Skills.
11	Coronado-Maldonado & Benítez-Marquez	2023	Journal	Leadership, EI intelligence and teamwork.
12	Siska Novia Br Sembiring, Lumbanraja & Siahaan	2021	Journal	Leadership, EI & Social Support on Employee Performance
13	Vrontis, Chaarani, Nemar & Dib	2021	Journal	managers' EI and employees' performance.

Further analysis of the information extracted from these papers on their contributions towards this study is presented below, which is done by classifying and mapping the relevant papers into different categories related to the study research objectives/questions.

The role of institutional environment on the cultivation and utilization of emotional intelligence among leaders for performance shows that the institutional environment encompasses various elements such as organizational culture, structure, values, and policies, all of which wield significant influence on the cultivation and utilization of emotional intelligence (EI) within an organization. This examines relevant studies in this regard. According to Nilam and Madagamage (2022), a positive organizational culture, as proposed, fosters increased organizational loyalty and reduced employee turnover by facilitating the demonstration of high emotional intelligence levels, thereby enhancing overall organizational performance. Neong, Isa and Abdul Manaf (2022) underscore the intricate connection between emotional intelligence and organizational culture, particularly emphasizing dimensions like leadership, knowledge dissemination, and corporate decision-making, which contribute to the effective utilization of emotional intelligence.

In their research, Watanabe et al. (2022) highlight the significant influence of emotional intelligence on project success, indicating that emotionally astute colleagues contribute to stronger team cohesion. Moreover, they note that organizational culture positively impacts the

relationship between project success and team cohesion, thereby enhancing the utilization of emotional intelligence and organizational performance.

Building on the ability model, Jegerson et al. (2024) find that employees' emotional intelligence positively influences diversity climate. They further reveal that while diversity climate does not mediate the relationship between emotional intelligence and service innovation capabilities, innovation culture moderates this relationship, emphasizing the pivotal role of the institutional environment, particularly innovation culture, in fostering a diverse climate and service innovation capabilities, thereby enhancing the utilization of emotional intelligence.

Purnaman, Yusuf & Nuryanto (2022) demonstrated that leadership positively influences innovation capacity and employee performance, with job training also contributing significantly to innovation capacity and employee performance. This suggests that leadership skills facilitate innovation and drive employee performance. Lee et al. (2022) revealed that a leader's utilization of emotional intelligence positively impacts trust in supervisors, indirectly influencing job performance by fostering team spirit and morale. Thus, leadership skills can cultivate trust among subordinates, enhancing performance through the application of emotional intelligence.

Yadav (2021) highlighted emotional intelligence as a crucial tool for effective leadership, influencing behaviours, attitudes, and belief systems. An effective leader integrates cognitive and emotional abilities, emphasising the indispensability of emotional skills. Almahdali et al. (2021) established a correlation between leadership skills like servant leadership, self-efficacy, and emotional intelligence, and employee performance in state-owned banks. Çayak & Eskici (2021) found that school principals with high sustainable leadership behaviour and emotional intelligence levels, as perceived by teachers, exhibit effective diversity management. Emotional intelligence plays a mediating role in the relationship between sustainable leadership and diversity management.

Overall, the findings suggest that individual leadership skills are instrumental in leveraging emotional intelligence and driving performance outcomes in organisations. By fostering effective communication, decision-making, conflict resolution, and empathy, leaders can harness emotional intelligence to inspire and empower their teams, leading to increased productivity, innovation, and overall success. Investing in leadership development programs emphasising emotional intelligence can yield substantial benefits in today's dynamic business landscape.

The analysis reveals insights from Coronado-Maldonado & Benítez-Marquez (2023), affirming that leaders with high emotional intelligence enhance both behaviours and business outcomes, impacting team performance positively. It underscores a positive correlation between leaders' emotional competence and team members' work attitudes. Similarly, Siska Novia Br Sembiring, Lumbanraja & Siahaan (2021) find that leadership and social support partially contribute to improved employee performance. Through the Sobel test, it's evident that leadership, emotional intelligence, and social support positively influence employee performance via job satisfaction, indicating a nexus between leadership skills, work environment, and emotional intelligence. Essentially, a conducive environment coupled with effective leadership facilitates emotional intelligence utilization, thereby enhancing performance.

Moreover, Vrontis, Chaarani, Nemar & Dib (2021) highlight that managers with high social skills, empathy, emotional management, and self-motivation positively impact employee performance in the healthcare sector. Conversely, a high level of self-awareness perception adversely affects employee performance, underscoring the pivotal role of leadership and the work environment in emotional intelligence utilization and performance enhancement.

Additionally, Nilam & Madagamage (2022) find that organisational culture moderates the relationship between emotional intelligence and organisational performance in commercial banks in Sri Lanka. They also note that a manager's emotional intelligence significantly influences organisational performance. According to Çayak and Eskici (2021), school administrators that possess great interpersonal skills, are skilled at handling disagreements, and

have sustainable leadership behaviors also demonstrate excellent interpersonal skills with teachers. Their correlation study demonstrates a good association between managing diversity, emotional intelligence, and sustainable leadership. Path studies further show that the connection between diversity managing abilities and sustainable leadership behaviors is totally mediated by emotional intelligence. To conclude the insights gleaned from the review studies suggest that institutional environment and individual leadership skills positively shape emotional intelligence utilization especially when the environment is supportive. However, in challenging environments, leaders with the aid of effective leadership skills can still leverage the utilisation of emotional intelligence to navigate uncertainties, resolve conflicts, and foster resilience among team members.

4.1 Discussion

Thirteen papers were reviewed to examine the complex relationship between the institutional environment, leadership skills, and the use of emotional intelligence (EI) to enhance performance. The results reveal that the institutional environment is crucial in both developing and utilizing emotional intelligence to enhance performance. By creating a culture that values emotional intelligence, encourages teamwork and loyalty, reduces employee turnover, promotes diversity, and fosters innovation, organizations can successfully leverage the power of emotional intelligence to drive success. This conclusion is supported by the research of Alamri & Thabet (2023) and Cortellazzo, Bruni & Zampieri (2019). According to Alamri & Thabet (2023), the institutional environment, particularly the organizational culture, plays a significant role in shaping the context in which EI is developed and utilized. Cortellazzo, Bruni & Zampieri (2019) also suggest that the ability to create a positive organizational culture that fosters collaboration and unity among team members is essential for effective leadership.

The research finding also emphasizes the significance of possessing a blend of administrative, conceptual, and interpersonal skills to become an effective leader. This enhances the quality of institutions and strengthens them. Additionally, the study indicates that leadership skills can instil confidence among followers, resulting in better performance by utilising emotional intelligence. Thus, the finding of the study concludes that leadership skills play a crucial role in the utilisation of emotional intelligence to drive organisational performance outcomes, by facilitating efficient communication, decision-making, conflict resolution, and empathy, leading to greater productivity, innovation, and overall achievement. This suggests that leaders can inspire and empower their teams by utilising emotional intelligence. This result is seconded by Purnaman. According to Yusuf and Nuryanto (2022), executives that possess strong leadership qualities are better able to carry out organizational plans, make decisions, lead teams, and accomplish company objectives. Throughout this process, leaders must use their abilities to persuade, schedule, communicate, and keep an eye on overall advancement.

On interactions between the institutional environment and individual leadership skills in shaping the effectiveness of emotional intelligence utilization for organizational performance, the insights gleaned from the reviewed studies suggest that institutional environment and individual leadership skills positively shape emotional intelligence utilization especially when the environment is supportive. Even in challenging environments, leaders with the aid of effective leadership skills can still leverage the utilisation of emotional intelligence to navigate uncertainties, resolve conflicts, and foster resilience among team members. This result underscores the importance of cultivating emotional intelligence among leaders to facilitate positive organizational outcomes and the fact that institutional environment and individual leadership skills work hand in hand to shape the effective usage of emotional intelligence for performance.

5.0 Conclusion

The findings underscore the critical importance of institutional environment and individual leadership skills in shaping the utilization of emotional intelligence for performance. Leadership

skills coupled with a supportive institutional environment, enhance and drive organizational performance. Therefore, investing in leadership development programs that emphasize emotional intelligence is crucial for organizations seeking to thrive in today's dynamic business landscape.

5.1 Limitations

Despite the valuable insights gained from the reviewed papers, certain limitations were acknowledged. Firstly, the studies reviewed exhibit variations in methodologies, sample sizes, and contextual factors, which could impact the generalizability of the findings. Additionally, the focus on specific industries or organizational contexts may limit the broader applicability of the findings across diverse settings. Potential avenues for future study to overcome these constraints include the use of mixed-method techniques, longitudinal approaches, and various populations to offer a more thorough knowledge of the intricate relationship between performance, emotional intelligence, and leadership.

References

Adebayo, O. P., Worlu, R. E., Moses, C., & Ogunnaike, O. (2020). An integrated organisational culture for sustainable environmental performance in the Nigerian context. *Sustainability*, *12*(20), 8323. https://doi.org/10.3390/su12208323

Adekunle, A., & Oke, T. D. (2023). Emotional intelligence and administrative effectiveness of heads of academic departments in public polytechnics in southwest Nigeria. *IAFOR Journal of Psychology & the Behavioral Sciences*, *8*(2), 7–18. https://doi.org/10.22492/ijpbs.8.2.01

Alamri, A. & Thabet, A. (2023). The impact of emotional intelligence in organizational performance: Afield Research in industrial companies in Hodeida Governorate. *RESEARCH www.commprac.com*, *20*(10), ISSN 1462 2815. https://doi.org/10.5281/zenodo.10006001

Almahdali, F., Natsir, S., Hasanuddin, B., & Husnah, H. (2021). The effect of servant leadership, emotional intelligence, and Self-Efficacy on organizational citizenship behaviour and employee performance of State-Owned banks in Palu City. *International Journal of Research and Review*, *8*(5), 682–694. https://doi.org/10.18415/ijmmu.v8i5.2683

Al-Tit, A. A. (2017). Factors Affecting the Organisational Performance of Manufacturing Firms. *International Journal of Engineering Business Management*, 9, 1-9. https://doi.org/10.1177/1847979017712628

Ayat, M., Imran, M., Ullah, A., Kang, C.W., (2021). Current trends analysis and prioritization of success factors: a systematic literature review of ICT projects. *International Journal Management Project Business*, 14(3), 652–679.

Çayak, S., & Eskici, M. (2021). The mediating role of emotional intelligence in the relationship between school principals' sustainable leadership behaviours and diversity management skills. *Frontiers in Psychology*, *12*. https://doi.org/10.3389/fpsyg.2021.774388

Cherniss, C., Extein, M., Goleman, D., & Weissberg, R. P. (2006). Emotional intelligence: what does the research really indicate?. *Educational psychologist*, *41*(4), 239-245.

Coronado-Maldonado, I. & Benítez-Marquez, M. D. (2023). Emotional intelligence, leadership, and work teams: A hybrid literature review. *Heliyon*, 9, e20356 https://doi.org/10.1016/j.heliyon.2023.e20356

Cortellazzo, L., Bruni, E., & Zampieri, R. (2019). The Role of Leadership in a Digitalized World: A review. *Frontiers in Psychology*, *10*. https://doi.org/10.3389/fpsyg.2019.01938

Dhiman, S. K. (2020). The Routledge Companion to Mindfulness at Work. In Google Books. Routledge. https://books.google.co.in/books?hl=en&lr=&id=5C34DwAAQBAJ&oi=fnd&pg=PT1

65&dq=leaders+who+possess+high+levels+of+self+awareness+and+self-regulation+exhibit+increased+levels+of+flexibility

Dimitrova, R., & Wiium, N. (2021). Handbook of Positive Youth Development: Advancing the Next Generation of Research, Policy and Practice in Global Contexts. *Springer Series on Child and Family Studies*, 3–16. https://doi.org/10.1007/978-3-030-70262-5_1

Drigas, A. & Papoutsi, C. (2019). Emotional Intelligence as an Important Asset for HR in Organisations: Leaders and Employees. *International Journal of Advanced Corporate Learning*, 12(1), 58-66.

Drigas, A., Papoutsi, C., & Skianis, C. (2023). Being an Emotionally Intelligent Leader through the Nine-Layer Model of Emotional Intelligence—The Supporting Role of New Technologies. *Sustainability*, *15*(10), 8103. https://doi.org/10.3390/su15108103

Faisal K., Mirwise K., Aman K, Marwa G., Sheza S., Shahzad K., Muhammad K. U. (2021). Emotional Quotient-Based Hiring And Organizational Performance: Mediating Role Of Emotional Intelligence. *Palarch's Journal Of Archaeology Of Egypt/Egyptology*, 19(2), 1428-1446.

Goh, S. K., Jayaraman, K., Mostafiz, I., & Leow, Y. M. (2020). The effect of organisational climate on employees' creative performance through knowledge sharing behaviour. *Electronic Journal of Knowledge Management*, *18*(1). https://doi.org/10.34190/ejkm.18.01.001

Goleman, D. (2019). *The emotionally intelligent leader*. Harvard Business Press.

Goleman, D. (2020). *Emotional intelligence: Why it can matter more than IQ*. Bloomsbury Publishing.

Gümüş, S., Bellibaş, M., Gümüş, E., & Hallinger, P. (2020). Science mapping research on educational leadership and management in Turkey: a bibliometric review of international publications. *School Leadership and Management*, 40(1), 23–44. https://doi.org/10.1080/1632434.2019.1578737

Hartung, P. (2020). The impact of self-awareness on leadership behaviour. *Journal of Applied Leadership and Management*, 8, 1–21. https://www.econstor.eu/handle/10419/251923

Holsinger, J. W. & Carlton, E. L. (2018). Traits, skills, and styles of leadership In *J. W. Holsinger & E. L. Carlton (Eds.), Leadership for Public Health: Theory and Practice.* (pp. 81-109). Chicago, Illinois: Health Administration Press.

Istianingsih, N., Masnun, A., & Pratiwi, W. (2020). Managerial performance models through decision making and emotional intelligence in public sector. Administrative Management Public, (35), 153-166.

Jegerson, D., Jabeen, F., Abdulla, H., Putrevu, J., & Štreimikienė, D. (2023). Does emotional intelligence impact service innovation capabilities? Exploring the role of diversity climate and innovation culture. *Journal of Intellectual Capital*, *25*(1), 166–187. https://doi.org/10.1108/jic-11-2022-0235

Jegerson, D., Jabeen, F., Abdulla, H., Putrevu, J., & Štreimikienė, D. (2023). Does emotional intelligence impact service innovation capabilities? Exploring the role of diversity climate and innovation culture. *Journal of Intellectual Capital*, *25*(1), 166–187. https://doi.org/10.1108/jic-11-2022-0235

Jowah, L. E., & Gwebityala, Y. I. (2022). Investigating the impact of the leader's emotional intelligence on the performance of the subordinates in a local government maintenance department. *Academy of Marketing Studies Journal*, 26(1), 1-15.

Karneli, O. (2023). The Role of Adhocratic Leadership in Facing the Changing Business Environment. *Journal of Contemporary Administration and Management* (ADMAN), 1(2), 77–83. https://doi.org/10.61100/adman.v1i2.26

Khokhar, G. & Selvamurthy, W. (2016). Correlation of Emotional Intelligence with Conflict Management Styles in IT based Organization. *The International Journal of Indian Psychology*, 3(4), 21-30.

Krén, H., & Séllei, B. (2020). The Role of Emotional Intelligence in Organizational Performance. *Periodical Polytechnical Social and Management Sciences*, 29(1), 1–9. https://doi.org/10.3311/ppso.15879

Lee, C., Li, Y., Yeh, W., & Zheng, Y. (2022). The effects of leader emotional intelligence, leadership styles, organizational commitment, and trust on job performance in the real estate brokerage industry. *Frontiers in Psychology*, 13. https://doi.org/10.3389/fpsyg.2022.881725

Mayer, J. D., & Salovey, P. (1993). The intelligence of emotional intelligence. *intelligence*, *17*(4), 433-442.

Mayer, J. D., Salovey, P., & Caruso, D. (2000). Models of emotional intelligence. *Handbook of intelligence*, *2*, 396-420.

McClellan, J., Levitt, K. & DiClementi, G. (2017). Emotional Intelligence and Positive Organisation Leadership: A Conceptual Model for Positive Emotional Influence. *Journal of Behavioural and Applied Management*, 17(3), 197-212.

Md-Sahidur-Rahman, Shameema, F., Md Al-Amin & Refa A. (2020). How Does Emotional Intelligence Relate to Transformational Leadership, Creativity, and Job Performance? *Society & Sustainability,* 2, 1–15.

Mlinarevic, Vesnica; Tokic Zec, Ruzica; Cvjeticanin, Ana: A model of transformational leadership in the organisational culture of preschool institution. *CEPS Journal*, 12(3), 103-126. https://doi.org/10.25656/01:25502

Nanda, M. and Randhawa, R. (2019). Emotional Intelligence, Well Being and Employee Behaviour, A Proposed Model. *Journal of Management Research*, 9(3), 157-172.

Neong, Isa & Abdul Manaf (2022). Emotional Intelligence And Organisational Culture: A Systematic Literature Review. (2022). *Journal of Pharmaceutical Negative Results*, *13*, 1582-1592. https://doi.org/10.47750/pnr.2022.13. S05.249

Nilam, M. S. & Madagamage, G.T. (2022). Emotional Intelligence on Organizational Performance with the Moderating Effect of Organizational Culture in the Banking Sector in Sri Lanka: A Systematic Review. *International Journal of Governance and Public Policy Analysis (IJGPPA)*, 4(1), 1-20.

Northouse, G. P. (2016). Organization: A Conceptual Study. Leadership Theory and Practice. *European Journal Of Business Management*, 8(24), 135.

Pangerhami, S. & Mohanty, S. (2019). Impact of emotional intelligence on organizational performance in health sector during COVID-19: mediating role of psychological resilience. *Organizational Psychology*, 11(2), 25–40.

Pesämaa, O., Zwikael, O., Hair, J. F., & Huemann, M. (2021). Publishing quantitative papers with rigor and transparency. *International Journal of Project Management*, *39*(3), 217–222. https://doi.org/10.1016/j.ijproman.2021.03.001

Purnaman, Yusuf & Nuryanto (2022). The effect of leadership skills and training on employee performance by mediation of innovation capacity in glass manufacturing companies. *International Journal of Economy, Education and Entrepreneurship*, *2*(3). https://doi.org/10.53067/ije3.v2i3

Saint Louis Public Schools. (2021). Reopening plan July 2021. https://www.slps.org/cms/lib/MO01001157/Centricity/Domain/1/RESTARTPLAN-JULY-2021-Interactive.pdf

Siska Novia Br Sembiring, Lumbanraja, P. & Siahaan E. The effect of leadership, emotional intelligence and social support on employee performance through job satisfaction at PT Bank XYZ Regional Credit Card Medan. International Journal of Research and Review. 2021; 8(1): 673-692.

Suchitra, P. & Sasmita, M. (2021). Impact of emotional intelligence on organizational performance in health sector during COVID-19: mediating role of psychological resilience. *Organizational Psychology*, 11(2), 25–40.

Supramaniam, S., & Singaravelloo, K. (2021). Impact of emotional intelligence on organisational performance: an analysis in the Malaysian Public Administration. *Administrative Sciences*, *11*(3), 76. https://doi.org/10.3390/admsci11030076

Tafamel, E. A. & Ejechi, J. A. (2022). Emotional Intelligence and Organizational Performance. *Journal of Management Research,* 1(1), 769-781.

Yadav, P. (2021). Emotional Intelligence and Leadership: A Conceptual Framework. *International Journal of Creative Research Thoughts*, 9(10), 598-610.

Zeb, A., Khan, F. & Hussain, K., Rabnawaz, M., & Zeb, F. (2021). The competing value framework model of organizational culture, innovation and performance, *Business Process Management Journal*, 27(2), 658-683. https://doi.org/10.1108/BPMJ-11-2019-0464