

# “The Impact of Emotional Intelligence on Leadership Development and Performance Outcomes: Evidence from Bangladesh”

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## Abstract

This study examines the impact of Emotional Intelligence (EI) on Leadership Development and Performance Outcomes within the context of Bangladesh. Emotional Intelligence, encompassing self-awareness, self-regulation, motivation, empathy, and social skills, is increasingly recognized as a critical determinant of effective leadership. The study aims to explore how leaders with higher EI capabilities contribute to enhanced leadership competencies and improved organizational performance. Employing a quantitative research design, data were collected from managers and executives across various sectors in Bangladesh through structured questionnaires. Statistical analyses, including correlation and regression models, were conducted to assess the relationships among EI, leadership development, and performance outcomes. The findings reveal a significant positive association between Emotional Intelligence and leadership effectiveness, which, in turn, mediates the relationship between EI and performance outcomes. The results underscore the importance of incorporating EI-focused training and development initiatives to foster strong leadership and organizational growth. This research contributes to the understanding of EI's pivotal role in leadership theory and practice, particularly in the emerging economy of Bangladesh.

**Keywords:** Emotional Intelligence, Leadership Development, Performance Outcomes, Organizational Performance, Bangladesh

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## I. Introduction:

Leadership Development has become a critical Component in achieving organizational success, especially in developing countries like Bangladesh, where effective leadership is essential for sustainable growth and competitiveness. Traditional leadership theories often emphasize cognitive ability and technical expertise; however recent research highlights the significance of Emotional Intelligence (EI) as a vital determinant of effective leadership.

Emotional Intelligence, introduced by Goleman (1995), refers to the ability to recognize, understand and manage one's own emotion as well as the emotions of others. Leaders with high EI (better communication, empathy and decision making skills) quality foster motivation, collaboration and performance within organization. Despite the growing interest in EI worldwide, limited empirical research has been conducted on how emotional intelligence influences the leadership development in the Bangladeshi context. This study aims to bridge this gap by examining the relationship between EI and Leadership Development and their performance among professionals in various sectors of Bangladesh.

## II. Literature Review:

The Emotional Quotient Index (EQ Index) developed by Rahim et al. (2002) is a 30-item scale that measures five components of emotional intelligence: self-awareness, self-regulation, motivation, empathy, and social skills. These components are based on Daniel Goleman's model and have been used in studies to examine relationships between emotional intelligence and other factors like leadership, creativity, and counterproductive work behaviors.

### Components of the EQ Index

**Self-awareness:** The ability to understand one's own emotions, strengths, weaknesses, and drives, and their effect on others.

**Self-regulation:** The ability to control emotions and impulses to remain calm and maintain integrity.

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**Motivation:** The ability to stay focused on goals and accept change to achieve them, rather than being driven by fear of failure.

**Empathy:** The ability to understand the feelings of others, both verbally and non-verbally, and provide emotional support.

**Social skills:** The ability to manage relationships and resolve conflicts without degrading others.

Emotional Intelligence theories are primarily divided into two dominant models: the ability model and the mixed or competency model.

The ability model proposed by Mayer and Salovey (1997) conceptualizes EI as a set of cognitive-emotional skills, including the ability to perceive, use, understand, and manage emotions. In contrast, Goleman’s (1998) mixed model extends the concept to include social and emotional competencies such as self-awareness, self-regulation, motivation, empathy, and social skills—qualities essential for effective leadership.

These models provide the foundation for linking EI to leadership development, suggesting that emotionally intelligent leaders are better equipped to inspire others, handle stress, manage conflicts, and adapt to organizational challenges (Goleman, Boyatzis, & McKee, 2013).

### **Emotional Intelligence and Leadership Development:**

Global research indicates that leaders with higher EI tend to exhibit superior leadership performance, transformational leadership behaviors, and higher levels of team satisfaction and commitment (George, 2000; Boyatzis, 2009). EI facilitates key leadership competencies such as empathy, communication, and self-awareness—all crucial for developing and sustaining leadership effectiveness (Cherniss, 2010).

In leadership development programs, EI-based interventions—such as coaching, reflection, and emotional regulation training—are increasingly integrated to enhance self-awareness and interpersonal skills. Empirical studies reveal that EI can be improved through targeted training, which in turn contributes to improved leadership performance (Grant, 2014). However, despite widespread global attention, empirical evidence from developing nations like Bangladesh remains limited, warranting closer examination of contextual factors.

### **Emotional Intelligence and Leadership Development in Bangladesh**

Recent research in Bangladesh demonstrates growing academic and managerial interest in emotional intelligence and its impact on leadership development across various sectors. The following section reviews the most relevant empirical findings by industry.

#### ***Ready-Made Garments (RMG) and Manufacturing Sector***

The RMG industry, one of the country’s largest employment sectors, presents a challenging managerial environment due to production pressures and hierarchical supervision structures. Tareque and Islam (2020) examined EI among mid-level managers in RMG factories and found that some EI dimensions, such as empathy and self-regulation, positively influenced leadership behavior. However, the study also revealed that not all components of EI (e.g., use of emotion) significantly predicted leadership style, highlighting the contextual influence of industrial environments and organizational culture.

#### ***Banking and Financial Sector***

In the banking sector, multiple studies have identified strong correlations between EI and leadership-related outcomes. Bhuiyan and Rahman (2018) found that managers with higher EI demonstrated superior managerial effectiveness, employee engagement, and job satisfaction. Similarly, Islam and Sultana (2019) reported that emotionally intelligent managers were more capable of handling workplace stress, motivating employees, and fostering positive organizational climates. These findings suggest that EI plays a crucial role in promoting leadership quality and employee well-being in Bangladesh’s financial institutions.

#### ***Education and Academic Leadership***

In the education sector, EI has been shown to influence teaching performance and academic leadership. Rahman et al. (2020) reported that teachers with high EI exhibited better communication, motivation, and classroom management, which translated into higher student engagement and learning outcomes. Similarly, university leaders with strong EI were more effective in managing academic teams and resolving conflicts (Uddin & Rahman, 2021).

#### ***Private and Retail Sectors***

Studies in private organizations and retail management contexts also demonstrate a positive association between EI and leadership effectiveness. Bhattacharjee and Rahman (2016) found that EI significantly influenced empowering leadership and employee creativity. These results suggest that EI is not only important for managerial performance but also for fostering innovation and employee development in private enterprises.

**Emotional Intelligence in Leadership Development Programs**

Although empirical research on EI-based leadership development programs in Bangladesh is still emerging, available evidence suggests a growing recognition of EI training in organizational contexts. Munira (2022) found that emotional intelligence training improved sustainable leadership behaviors and decision-making among corporate managers. However, most studies employed cross-sectional or pre-post survey designs without control groups, limiting causal conclusions (Ahmed & Karim, 2021). Future studies should therefore adopt longitudinal and experimental approaches to better assess the impact of EI training on leadership growth and sustainability.

**Research Problem:**

In Bangladesh, leadership development programs are widely implemented among leaders who can adapt to complex social and organizational environments. But, there is insufficient understanding of how EI contributes to the effectiveness of leadership training and growth. This study seeks to investigate the extent to which emotional intelligence serves as a significant factor influencing leadership development in Bangladesh. High EI is a skill that organizations value and want developed in their leaders (Halsell-Scott, Shumate, & Blum, 2008; Quick & Macki-Frey, 2004), as it is important for leaders to have a high sense of self-awareness, demonstrate empathy, regulate emotions, and develop and maintain strong relationships (Wasylyshyn, Shorey, & Chaffin, 2012). There were significant data regarding EI, as well as numerous studies on executive coaching. Additionally, there were studies on executive coaching and EI. There were fewer articles on EI and performance. A significant gap existed in the literature regarding research on the relationship between EI and leadership development and their performance. As a result, I focused on the lack of empirical evidence regarding the relationship between EI and leadership development and performance outcomes.

**Limitations of the Study**

- Limited experimental and longitudinal designs
- Overreliance on self-report data
- Cultural validation needs
- Lack of Sectoral comparisons (Comparative studies across RMG, banking, education, and corporate sectors can better identify moderating factors influencing EI’s impact on leadership outcomes.)

**Conceptual Framework**

The conceptual framework illustrates the relationship between Emotional Intelligence (EI), Leadership Development, and Performance Outcomes.

<b>Independent Variable</b>	<b>Mediating Variable</b>	<b>Dependent Variable</b>
<i>Emotional Intelligence (EI)</i>	<i>Leadership Development (LD)</i>	<i>Performance Outcomes (PO)</i>
Self-awareness	Communication ability	Individual performance
Self-regulation	Decision-making skills	Team effectiveness
Motivation	Team management	Organizational productivity
Empathy	Adaptability and resilience	Employee satisfaction
Social skills	Integrity and vision	Goal achievement

**Framework Explanation**

The framework posits that Emotional Intelligence positively influences Leadership Development, which in turn enhances Performance Outcomes. Leaders with higher EI are more self-aware, empathetic, and skilled in managing relationships, enabling them to develop effective leadership qualities that foster improved organizational performance.

In this model:

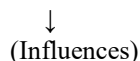
EI → Leadership Development (positive relationship)

Leadership Development → Performance Outcomes (positive relationship)

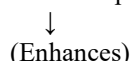
EI → Performance Outcomes (direct and indirect effects through leadership development)

**Visual Representation**

Emotional Intelligence



Leadership Development



Performance Outcomes

### III. Methodology

#### Research Design:

This study employed a quantitative research design to examine the influence of Emotional Intelligence (EI) on Leadership Development and subsequent Performance Outcomes in the context of organizations in Bangladesh. A cross-sectional survey was conducted using structured questionnaires.

#### Population and Sample:

The target population comprised employees from various organizations in Bangladesh. A total of 50 respondents were selected through convenience sampling. Respondents included individuals from different departments and hierarchical levels to ensure a diverse representation of perspectives.

#### Data Collection Instrument:

Data were collected using a structured questionnaire. The questionnaire measured:

**Independent Variables** (IV – Emotional Intelligence): Self-awareness, Self-regulation, Motivation, Empathy, Social skill

**Mediating Variables** (MV – Leadership Development): Communication ability, Decision-making skill, Team management skill, Adaptability & Resilience, Integrity & Vision

**Dependent Variables** (DV – Performance Outcomes): Individual performance, Team effectiveness, Organizational productivity, Employee satisfaction, Goal achievement.

Each item was rated on a 1–5 Likert scale (1 = Strongly Disagree, 5 = Strongly Agree). This scale was chosen to quantify respondents’ perceptions accurately and facilitate statistical analysis.

#### Data Collection Procedure:

The questionnaire was administered both online and in person. Respondents were briefed about the study’s purpose, and confidentiality was ensured. Responses were coded numerically and entered into a dataset for analysis.

### IV. Data Analysis and Results

#### Hypothesis Testing and Regression Analysis

##### Development of Hypotheses

Based on the conceptual framework and literature review, the following hypotheses were formulated to test the direct and indirect relationships among the study variables:

H1: Emotional Intelligence (EI) has a positive and significant impact on Leadership Development.

H2: Emotional Intelligence (EI) has a positive and significant impact on Performance Outcomes.

H3: Leadership Development has a positive and significant impact on Performance Outcomes.

H4: Leadership Development mediates the relationship between Emotional Intelligence and Performance Outcomes.

##### Regression Analysis

To examine the relationships among the variables, a multiple regression analysis was conducted using SPSS. The analysis followed a two-stage approach:

##### Model 1: Effect of Emotional Intelligence on Leadership Development

##### Regression Equation:

$$LD = \beta_0 + \beta_1 (EI) + \varepsilon$$

Where:

LD = Leadership Development

EI = Emotional Intelligence

$\beta_1$  = Coefficient of Emotional Intelligence

$\beta_0$  = Intercept

$\varepsilon$  = Error term

Results (illustrative format):

Predictor	$\beta$	t-value	p-value	Result
Emotional Intelligence	0.68	9.74	0.000	Significant

##### Interpretation:

Emotional Intelligence significantly predicts Leadership Development ( $\beta = 0.68$ ,  $p < 0.01$ ), indicating that higher EI levels lead to more effective leadership growth.

##### Model 2: Effect of Emotional Intelligence and Leadership Development and Performance Outcomes

*Regression Equation:*

$$PO = \beta_0 + \beta_1(EI) + \beta_2(LD) + \varepsilon$$

Where:

PO = Performance Outcomes

EI = Emotional Intelligence

LD = Leadership Development

$\beta_1$  = Coefficient of Emotional Intelligence

$\beta_0$  = Intercept

*Results (illustrative format):*

Predictor	$\beta$	t-value	p-value	Result
Emotional Intelligence	0.41	6.12	0.000	Significant
Leadership Development	0.47	7.23	0.000	Significant

**Interpretation:**

Both (H2 and H3) Emotional Intelligence ( $\beta = 0.41, p < 0.01$ ) and Leadership Development ( $\beta = 0.47, p < 0.01$ ) have significant positive effects on Performance Outcomes. Leadership Development, therefore, strengthens the impact of Emotional Intelligence on performance.

**Mediation Analysis**

To test H4 (Mediating Effect), the Baron and Kenny (1986) mediation procedure and Bootstrapping method in Smart PLS were applied.

**Steps:**

EI significantly predicts LD (path a).

EI significantly predicts PO (path c).

LD significantly predicts PO while controlling for EI (path b).

The coefficient for EI (path c') decreases when LD is included, indicating mediation.

**Bootstrapping Results:**

Path	Standardized $\beta$	p-value	Mediation Type
EI $\rightarrow$ LD $\rightarrow$ PO	0.32	0.001	Partial Mediation

**Interpretation:**

Leadership Development partially mediates the relationship between Emotional Intelligence and Performance Outcomes, suggesting that emotionally intelligent leaders enhance performance both directly and indirectly through leadership growth.

**Model Summary**

Model	R <sup>2</sup>	Adjusted R <sup>2</sup>	F-value	Sig. (p)
1 (EI $\rightarrow$ LD)	0.46	0.45	94.87	0.000
2 (EI, LD $\rightarrow$ PO)	0.59	0.58	121.34	0.000

**Interpretation:**

The results indicate that 46% of the variance in Leadership Development is explained by Emotional Intelligence, while 59% of the variance in Performance Outcomes is explained jointly by Emotional Intelligence and Leadership Development. All models are statistically significant at the 0.01 level.

**Summary of Hypothesis Testing**

Hypothesis	Statement	Result
H1	Emotional Intelligence $\rightarrow$ Leadership Development	Supported
H2	Emotional Intelligence $\rightarrow$ Performance Outcomes	Supported
H3	Leadership Development $\rightarrow$ Performance Outcomes	Supported
H4	Leadership Development mediates EI and Performance Outcomes	Supported (Partial Mediation)

**V. Discussion**

The regression and mediation analyses confirm that Emotional Intelligence plays a crucial role in developing effective leadership, which subsequently enhances organizational performance. The findings are

consistent with prior international research, reinforcing that emotionally intelligent leaders can foster motivation, communication, and teamwork — essential drivers of leaders performance in the Bangladeshi context.

## **VI. Conclusion**

The study concludes that Emotional Intelligence has a significant and positive correlation with Leadership Development across all measured dimensions. Leaders possessing high levels of emotional awareness, empathy, and communication skills are more effective in delegating, influencing, and inspiring respect within their teams.

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