

## Emotional intelligence as a predictor of leadership effectiveness

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### Keywords

Emotional Intelligence, Leadership effectiveness, Leadership, MENA, Egypt,

### Abstract

*The purpose of this paper is to examine the impact of emotion intelligence on leadership effectiveness. In fact, conducting the research within developing countries will contribute the existing knowledge concerning the extent to which those predictors will add to the academic implications, as the findings would be applied on developing countries context. Moreover, it will add significant contribution to the practical implications in terms of applying those predictors in different organization to enhance their performance and effectiveness. The field study will be conducting using a self administered questionnaire using non probabilistic technique from a sample of 141 fully-employed employees in Egyptian's FMCG. The results hold implications for organizations that seek to enhance the emotion intelligence of leaders both effectively and efficiently. The application of these findings will lead to a range of leadership development practices and enhancement. Finally, research aims to contribute to both academic and practical knowledge. Where, it offers academic insights regarding research on the factors that are likely to impact and develop leadership effectiveness, among those factors is the importance of emotion intelligence.*

### Introduction

Leadership has been one of most controversial topics in the twentieth century; this is because of the great impact of the concept that leadership has on all types of organization. Many theorists and researchers defined leadership, and explained it in several ways; such as what Liu, Yu and Tjosvold, discussed in 2002 that the traditional leadership research has always distinguished leaders by their orientation towards production and towards people maintenance (Liu et al., 2002). Researchers have examined a range of diverse studies regarding the well-known study of emotional intelligence (EI) and its great impact on leadership effectiveness. Therefore, this study aimed at focusing on such issue and to devote a great deal of thorough research to carefully demonstrate an understanding of what is known as emotional intelligence last but not least, number of studies have also explained the term leadership effectiveness as the process of influencing others to understand and agree about what needs to be done and how it can be done effectively, and the process of facilitating individual and collective efforts to accomplish shared objectives (Niculescu-Mihai, 2007).

### Literature Review

#### Leadership theories

Early researches on leadership effectiveness emphasised and linked the effectiveness of a leader on his/her personal attributes; this was known as trait approach. Later, other researches started discussing leadership effectiveness from a behavioural approach in which the behaviours of effective and ineffective leaders are compared based on the perceptions of others (Hartman, 1999). Therefore, a wide range of theories highlighted the behavioural approach to leadership; such theories ranged from Fiedler's (1967) LPC theory to House's (1971) path-goal theory to Quinn's (1988) competing values framework (CVF) and Bass' (1985) transformational leadership theory. Significant relationship between those leadership behaviours and effectiveness were found proven (Hooijberg, et al., 2010).

In most recent researches, leadership is considered to be one of the important situational factors in human resources and organizational behavioural literature. The most predominant leadership theory used over the last few decades has been the transformational leadership (TFL) theory proposed by Bass and Avolio (Chen, Bian and Hou, 2015).

#### 2.2 Leadership effectiveness

Leadership as a term has been defined in a more similar yet a much broader way; such as "the relationship between those who aspire to lead and those who choose to follow" (Posner, 2015). On the other hand, leadership is focusing on an important concept known as leadership effectiveness. Palmer, et al., (2001) defined effective leaders as those who possess transformational rather than transactional leadership style.

Moreover Liu, et al., (2002) stated that leadership effectiveness is the extent to which employees believe that their managers are successful as leaders. They also proposed that quality relationships with followers are the foundation of leadership effectiveness (Liu, et al., 2002).

Furthermore, leadership effectiveness is found within the transformational leader which is the leader's ability to inspire followers to achieve past what was originally thought possible (Sivanathan&Fekken, 2002). Likewise, leadership effectiveness is defined as the ability and the willingness of a leader or a manager to use a suitable style of leadership that best matches the readiness of the follower (Chen and Silverthorne, 2005). However, Erkutlu in 2008 declared that leadership effectiveness definition will differ from a researcher to another, because the effectiveness of a leader depends on the outcome selected as the effectiveness criterion (Erkutlu, 2008).

Moreover, it is important that all organization strive to equip its employees with leadership skills; as leadership roles and processes are essential in setting direction, creating alignment, and encouraging commitment in groups of people. Amagoh, then concluded that "organizations with effective leaders tend to innovate, respond to changes in markets and environments, creatively address challenges, and sustain high performance" (Amagoh, 2009).

### 2.3 Measurement of leadership effectiveness

Leadership effectiveness is designed to measure the participant's perception of how effective they thought the leader might be at managing large organization, not how effective the leader is but focusing on managing the organization and attaining the objectives (Nana et al., 2010). One of the main models that measure leadership effectiveness is the Full Range of Leadership Model; that differentiates passive from active leadership and suggests that more active forms of leadership are more effective. This model advocates that leaders have a list of behaviours that they engage in to changing degrees of frequency. These behaviours exist on a continuum of passive behaviours to active behaviours. Thus, research supports that leadership that is more active is more effective (S. Michel et. al, 2014).

Also Bass introduced another model in 1990 stating that highly effective leaders would display two types of behaviours; transactional and transformational leadership. Later on, Avolio with help of Bass (2004) developed characteristics of transformational and transactional leadership including: "idealized influence (behaviours), idealized influence (attributed), inspirational motivation, intellectual stimulation, individualized consideration, contingent reward, management by- exception (active), and management-by-exception (passive)."

Additionally, Kouzes and Posner in 2002 explained that leadership is a set of practices and behaviours not a position. These practices provide a standard for the organization's leaders to attain goals or to perform their work (Ebrahimi Mehrabani and Azmi Mohamad, 2015). Later on, Kouzes and Posner (2012) highlighted the importance of good relationships for effective leadership to occur, and focussed on leadership practices that build effective relationships (Posner, 2015). In much more recent studies, these practices were summed up under a model known as leadership practice inventory model (LPI). This model deals with leadership challenges by focussing on responsibility and performance (Hage and Posner, 2015).

### 2.4 Emotional intelligence

The concept of EI is rooted in early works on emotions and social intelligence. EI research has been evident for over 35 years; rooted in the concept of social intelligence (Schumacher, et al., 2009). Besides the foundation of EI can be drawn back to Thorndike (1920) Moss and Hunt (1927), Guilford (1956), Vernon (1933) and Gardner's (1983) ; when they all started their work on social intelligence (in Carmeli, et al., 2009). Social intelligence was defined by Thorndike as "the ability to understand and relate to people" (Thorndike, 1920 in Poon Teng Fatt, 2002).

Furthermore, Hilgard in 1980 stated that the origin of emotional intelligence works in three ways; cognition, effect and motivation. The part of cognition consists of functions such as human memory, reasoning, judgement, and mental thought. Also the part of effect consists of emotions, moods, evaluations, and other feeling states. Lastly, the part of motivation is the related to the personality, which includes biological need or learned goal-seeking behaviour. The first two parts, that of cognition and affect, together make up EI (Hilgard, 1980).

Despite, all the history and the interest in emotional intelligence, researchers admit that this concept is still in its early stages (Zeidner, et al., 2004). Nevertheless, it was not until the early 1990s that the concept of emotional intelligence was given particular attention. Over the years, some scholars have provided definitions of emotional intelligence (e.g. Davies et al., 1998; Goleman, 1995 in Carmeli, et al., 2009).

## 2.5 Emotional intelligence measurements

As with other types of intelligence, emotional intelligence is difficult to measure (Bagshaw, 2000). Emotional intelligence is a self-report test that relies on social desirability responses, therefore, this makes it even more difficult and unreliable in some cases. However, over the years many models were developed to measure EI, among those, there are some main models that are currently available such as ; the multifactor emotional intelligence scale (MEIS; Mayer et al., 1999 in Kerr et al., 2006), the Mayer Salovey Caruso emotional intelligence test (MSCEIT; Mayer et al., 2000 in Mueller and Curhan, 2006) the emotional competency inventory (ECI; Goleman, 1998 in Kerr et al., 2006), the emotion-quotient inventory (EQ-i; Bar-On, 1997) the emotional intelligence quotient (EIQ; Dulewicz and Higgs, 1999 in Kerr et al., 2006) the emotional quotient map (EQ-MAP; Cooper and Sawaf, 1997 in Kerr et al., 2006), the self-report emotional intelligence test (SREIT; Schutte et al., 1998 in Kerr et al., 2006), the Swinburne emotional intelligence test (SUEIT/Genos EI Assessment; Palmer and Stough, 2001 in Mukhty, 2013), the trait meta mood scale (TMMS; Salovey et al., 1995 in Palmer, et al., 2001), the workgroup emotional intelligence profile (WEIP; Jordan et al., 2002 in Kerr et al., 2006), and finally the Wong and Law Emotional Intelligence Scale (WLEIS; Law et al., 2004; Wong and Law, 2002).

### 2.6. Relationship between emotional intelligence and leadership effectiveness.

Previous studies have shown that the construct of emotional intelligence has gained much popularity as a potential underlying attribute of effective leadership. Because in leadership, dealing effectively with emotions may contribute to how one handles the needs of individuals, how one effectively motivates employees, and makes them feel happy at work. Thus, effective leadership skills have been described to depend, in part, on the understanding of emotions and the abilities associated with EI (Palmer, et al., 2001).

Moreover, Fatt in 2002 stated that "close to 90 percent of success in leadership positions is attributable to Emotional Intelligence". In Sivanathan and Fekken study, they claimed that leaders with greater emotional intelligence will be more effective leaders, as effective leaders are socially adept (Sivanathan and Fekken , 2002).

Furthermore, Humphrey illustrated in his research that leadership is an emotional process; whereby leaders recognise followers' emotional states, attempt to evoke emotions in followers, and then seek to manage followers' emotional states accordingly. The ability of leaders to influence the emotional climate can strongly influence performance and effectiveness (Humphrey, 2002). Additionally, other studies showed that business leaders ranked EI more important than any other traditional leadership attributes like financial acumen, market orientation, and planning (Deshpande, et al., 2005). People have theorized that EI contributes to people's capacity to work effectively in teams, manage stress, and lead others (Rosete and Ciarrochi, 2005).

Additionally, EI is viewed in leadership literature as a key determinant of effective leadership, because like it was mentioned in Kerr's study "higher EI scores are associated with higher leadership effectiveness". A high level of EI might enable a leader to be better able to monitor how work group members are feeling, and take the appropriate action (Kerr et al., 2006). Morehouse, turned to describe successful leadership traits in his study, his description showed leaders who are aware and have an understanding of their own and other's emotions, and are able to use that understanding to effectively motivate, inspire, challenge, and connect with others. In fact his study did support the relationship between effective leaders and EI, as well as for the theory that with increasing leadership levels in an organization, one will find increasing levels of EI (Morehouse, 2007). As well Riggio and Reichard hypothesized that leader emotional control is positively associated with effective leadership; where emotional control is the ability to regulate both the expression and experience of emotions, it is a critical component of emotional intelligence and is particularly important in the workplace. They succeeded in proving that emotional control is an important element of effective leadership (Riggio and Reichard, 2008).

Besides, Leary, Reilly and Brown stated that EI helps improving leadership and performance (Leary, et al., 2009). Schumacher and other cited that leaders with strengths in six or more EI competencies are believed to be more effective and have higher levels of performance outcomes than their peers who lack these strengths (Schumacher, et al., 2009). Also, Stein, Papadogiannis, Yip and Sitarenios in their research linked emotion competencies to leadership behaviour and organizational performance. As they proposed that effective leaders possess multiple forms of intelligence, which allows them to respond successfully to various situations. In particular, emotional skills are essential for managerial level leader performance (Stein et al., 2009). Goleman also stated in his early research in 1989 that "effective leaders are alike in one crucial way; they all have a high degree of emotional intelligence" (Goleman 1989 in Stein et al., 2009).

Similarly, Amagoh in 2009 described individual leadership characteristics that may influence leadership effectiveness, which include: intelligence, dominance, gender role, generalized self-efficacy, self-monitoring,

emotional intelligence, conscientiousness, emotional stability, and extraversion (Amagoh, 2009). McDermott, Kidney and Flood, said in their study that contemporary leadership theories demonstrate the centrality of emotional skills for effective leadership. In turbulent times, leaders often need to contain the anxiety of those they lead, regulate their own emotions and express appropriate emotions in response to the needs of the situation. They concluded that leadership is an inherently social role, thus emotional skills are critical component of a leader's development and effectiveness (McDermott, et al., 2011).

In recent researches, it was stated that leaders who are able to regulate their own emotions effectively through self-regulatory methods should be better able to adapt to the needs of followers (Rogelberg et al., 2013). Likewise Howard and Irving mentioned that leadership is contingent upon the development of self-awareness and emotional intelligence (S. Howard & A. Irving, 2014). Chen, Bian and Hou, research has shown that leaders influence the emotions of subordinates. They mentioned in their study that EI and leadership theories have been developed and tested primarily in western countries. However, limited research has focused on examining the relationship of EI, leadership, and work performance in a non-western setting. Despite that previous studies have found a strong relationship between EI and leadership effectiveness, on the other hand, other researchers have found that certain expressions and behaviours have different meanings in different cultures (Chen, et al., 2015).

In addition to Balamohan, Tech and Gomathi in their recent study in 2015 stated that "leaders possessing strong emotional intelligence are believed to be the effective and efficient performer in the organization" (Balamohan, et al., 2015).

## Methodology

This research is designed to measure the impact of emotional intelligence (independent variable) on leadership effectiveness (dependent variable) of the employees' this study is conducted on employees within a Fast Moving Consumer Goods Company (FMCG) in Egypt. The researcher chose Unilever Mashreq in particular as a single case study as it is one of the world's leading FMCG companies. In this study, the sampling technique used in this study is the non-probability sampling thus researcher has chosen the convenience sampling method as it is one type of the non-probability technique. Moreover, the sample size of this research is 191 and this number is calculated based on the sample population number of 337 employees. (Sekaran & Bougie, 2013). The researcher managed to collect 141 completed questionnaires which count for (73.8%) that were used further on in the analysis.

### 3.1 Research instruments

#### 3.1.1 Leadership effectiveness

This study focuses on measuring the impact of emotional intelligence, specifically the following dimensions such as ; self-emotion appraisal, other emotion appraisal, regulation of emotions and use of emotions as independent variables that influence the dependent variable which is leadership effectiveness. Thus, leadership effectiveness is defined as the extent to which employees believe that their managers are successful as leaders (Liu, et al., 2002). A growing number of researches have been discussing the importance of measuring leadership as a dependent variable, because it is important to all organizations as they strive to equip its employees with leadership skills. Since leadership roles and processes are essential in setting direction, creating alignment, and encouraging commitment in groups of people (Amagoh, 2009).

#### 3.1.2 Emotional intelligence

By the same spoken, the independent variable in this study is the emotional intelligence, the literature has reviewed many definitions regarding this variable such as; Bagshaw who defined EI as "The capacity of recognizing our own feelings and those of others, for motivating ourselves, and managing emotions well, in ourselves and in our relationships" (Bagshaw, 2000). Emotional intelligence has become an essential competency to organization specifically to managerial positions. Similarly, it was stated by Fatt that for high performance in all organizational fields, EI is twice as important as mental abilities; for success at high levels, as it was proven that close to 90% of success is attributable to EI (Poon Teng Fatt, 2002).

In this study the emotional intelligence is measured using four dimensions as follows;

**Self-emotion appraisal:** Is defined as "an individual's self-perceived ability to understand his or her emotions" (Kafetsios and Zampetakis, 2008).

**Others emotion appraisal:** Is defined as "a person's tendency to be able to perceive other peoples' emotions" (Kafetsios and Zampetakis, 2008).

**Regulation of emotion:** Is the process by which people influence which emotions they have and how they experience those (Gross and John, 1998).

**Use of emotion:** Is defined as “integrating emotional information into everyday tasks involving planning, interpersonal interactions, motivation, decision making, and problem-solving as well as recognizing how emotional experiences influence one’s thoughts” (Karim and Weisz, 2010).

### 3.2 Proposed research model



**Figure 1: Proposed model of research**

Furthermore, in other studies it was hypothesized that there is a positive relationship between EI and leadership effectiveness such as the study of Kerr, Garvin, Heaton and Boyle in 2006, they explained that EI is viewed in leadership literature as a key determinant of effective leadership, “higher EI scores are associated with higher leadership effectiveness”, because a high level of EI might enable a leader to be better able to monitor how work group members are feeling, and take the appropriate action (Kerr et al., 2006). As well Riggio and Reichard hypothesized that leader emotional control is positively associated with effective leadership; where emotional control is the ability to regulate both the expression and experience of emotions, it is a critical component of emotional intelligence and is particularly important in the workplace (Riggio and Reichard, 2008). Similarly, Amagoh in 2009 described individual leadership characteristics that may influence leadership effectiveness is emotional intelligence, (Amagoh, 2009).

McDermott, Kidney and Flood, stated in their study that emotional skills are critical component of a leader’s development and effectiveness (McDermott, et al., 2011). Likewise Howard and Irving mentioned in their study that leadership is contingent upon the development of self-awareness and emotional intelligence (S. Howard & A. Irving, 2014). Therefore, it is hypothesized that:

*H<sub>1</sub>: There is a positive significant relationship between Emotional intelligence and leadership effectiveness*

### 3.3 Research measurements

The instruments used in this study. They were as follows: Leadership Practice Inventory model (LPI) (Posner and Kouzes, 1988) and Wong and Law Emotional Intelligence Scale (WLEIS) (Wong and Law, 2002).

#### 3.3.1 Wong and Law Emotional Intelligence Scale

This questionnaire was developed by Wong and Law in 2002; it was originally developed in the Far East (Hong Kong in China). The WLEIS was designed specifically for the use in organizations (Law et al., 2004; Wong and Law, 2002), as it was found to be a better predictor of job performance than other EI scales. Moreover, WLEIS is a 16-item self-report scale; the scale includes four dimensions: self-emotion appraisal, for example “I really understand what I feel”; others’ emotion appraisal for example “I always know my friends’ emotions from their behaviour”; regulation of emotion for example “I am able to control my temper and handle difficulties rationally”; and use of emotion for example “I always set goals for myself and then try my best to achieve them”; items were answered on a Likert scale ranging from 1 “strongly disagree” to 5 “strongly agree”. WLEIS is recognized as a good measure with complete validity and reliability; accordingly, Cronbach alpha in previous studies was; self-emotion appraisal 0.81, others emotion appraisal 0.88, use of emotion 0.82 and regulation of emotion 0.87 (Libbrecht et al., 2012); as it was shown in previous studies that have tested and retested the scale several times (Law et al., 2004; Shi and Wang, 2007; Kafetsios and Zampetakis, 2008; Whitman et al., 2009; Meisler, 2014).

#### 3.3.2 Leadership Practice Inventory model (LPI)

This questionnaire was developed and revised by Kouzes and Posner throughout the years (Posner & Kouzes, 1988; Posner & Kouzes, 1994). LPI is a leadership assessment instrument that was designed on the basis of lengthy and repeated feedback from respondents, and factor analyses of various sets of behaviours (Posner and Kouzes, 1993). Moreover, there are two forms of the leadership Practices Inventory; there is LPI-Self and LPI-Other, which differ only in whether the behaviour described is that of the respondent's self or is the respondent's behaviour being described by a third party such as a peer, superior, or subordinate of the leader (Sumner, Bock and Giamartino, 2006). Thus, in this study the LPI used was the LPI-self as the whole questionnaire was a self-report questionnaire measuring the self-perceived emotional intelligence and its effect on the self-perceived leadership effectiveness.

Consequently, LPI was developed as a 30-item instrument with six statements reflecting each of the five leadership practices; modelling the way, inspiring a shared vision, challenging the process, enabling others to act, and encouraging the heart. Moreover, every sub-scale was measured by the developer to ensure validity and reliability of the scale; Modelling the way Cronbach alpha was 0.77, inspiring a shared vision was 0.87, challenging the process was 0.80, enabling others to act was 0.75, and encouraging the heart was 0.87. Each of the statements are ranked on a five-point Likert scale with the extent of use of the measured leadership behaviour ranging from 1 "rarely, almost never" to 5 "frequently, always" (Zagorsek, et al., 2006). However, in recent studies the LPI scale has been revised from a 5 to a 10 point response scale to increase sensitivity to changes in leadership behaviour. Despite that change the researcher believed that it's much more comprehensible and simple for the respondents to answer the statements on a 5 point Likert scale to ensure consistency and avoid confusion.

Variables	Sub-variables	Scale (Number of Items/Scale)
Leadership Effectiveness	Modeling the way	Modeling the way (5 items)
	Inspiring a shared vision	Inspiring a shared vision (5 items)
	Challenging the process	Challenging the process (5 items)
	Enabling others to act	Enabling others to act (5 items)
	Encouraging others to act	Encouraging others to act (5 items)
Emotional Intelligence	Self-emotion appraisal	Self-emotion appraisal (4 items)
	Others emotion appraisal	Others emotion appraisal (4 items)
	Use of emotion	Use of emotion (4 items)
	Regulation of emotion	Regulation of emotion (4 items)

Table 1: Summary of Variables, Sub-variables and Scales used in the current study

### Analysis & findings

In this study reliability analysis was run to uncover the extent to which the scales used to measure the variables in the study are suitable and consistent. Descriptive analysis was then conducted for the demographic variables to identify the sample profile. Next, correlation analysis was used to test the hypotheses followed by regression analyses to determine the relative importance of the variables.

Scale	Number of Items	Cronbach's Alpha
Self-emotion appraisal	4	0.888
Others emotion appraisal	4	0.894
Use of emotions	4	0.858
Regulation of emotions	4	0.895
Leadership effectiveness	30	0.954

Table 2: Scales' Reliability

Based on the results presented in (table 2), all scales are considered highly reliable with a good internal consistency as per Sekaran and Bougie, who, since Cronbach's are over 0.80 are considered good (Sekaran and Bougie, 2013).

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Self-emotion	141	1.50	5.00	3.7589	.83741
Other emotional appraisal	141	1.00	5.00	3.8280	.87990
Use of emotion	141	1.00	5.00	3.9131	.81119
Regulation of emotion	141	1.00	5.00	3.5319	.93439
Leadership effectiveness	141	1.33	4.87	3.8359	.60147
Number of respondents	141				

Table 3: Descriptive Statistics

In the descriptive statistics, summaries about the sample population responses are provided. The mean, minimum, maximum, and the standard deviation of the independent and dependent variables are presented in the (table 3). The descriptive statistics show that the average respondents are effective leader or not. Furthermore, the results reported use of emotion had the highest mean (3.913), followed by others emotional appraisal mean (3.828), then self-emotion appraisal mean (3.758), finally regulation of emotion had the lowest mean (3.5318), which means that regulation of emotion is the least emotional intelligence sub-variable that is felt by employees.

The sample characteristics concerning the age, gender, educational level, job level, years of employment, marital status, number of children and city of residence. The sample shows that the majority of

respondents were males at 51.8% as opposed to the 48.2% were females. Most respondents were less than 30 years old with a 60.3 %, followed by age from 31 to 40 years old 28.4%, next from age 41 to 50 years old 9.2% and finally above 50 years old 2.1% . The majority of respondents hold a college degree at 75.2%, next the respondents who hold their master degree at 22%, finally respondents who hold PhD degree at 2.1%.

Concerning the occupation level the majority of respondents are junior managers 32.6%, followed by administrative personnel at 22.7%, next are senior managers at 20.6 %, finally the rest are supervisor at 18.4%. Regarding the respondents employment years, the majority of the respondents have been employed in the company from 1-5 years at 49.6%, then followed by the respondents employed from 6-10 years at 24.8%, next are the respondents employed from 11-16 years at 7.8%, finally are the respondents who have been employed over 15 years at 4.3%.

Moving to the marital status of our respondents; the majority at 58.2% are single, 40.4% are married and 0.7% are divorced and widowed. The sample characteristics also indicate that respondents having no children are 73.8%, followed by respondents having one child are 7.1%, next are respondents having two children are 13.5%. Finally respondents having more than two children are 5.7%. And finally more than half the respondents are from Alexandria with 73.8 % and the rest are from Cairo with 26.2%.

Variables		Total emotional appraisal	leadership effectiveness
Total emotional appraisal	Pearson Correlation	1	.771**
	Sig. (2-tailed)		.000
	N	141	141
leadership effectiveness	Pearson Correlation	.771**	1
	Sig. (2-tailed)	.000	
	N	141	141

\*\* Correlation is significant at the 0.01 level

Table 4: Correlations for the two main variables

Findings in (table 4) show the correlation analysis made for the two main variables which shows that emotional intelligence has a significant strong and positive relationship with leadership effectiveness ( $r=0.771^{**}$  and  $p=0.01$ ), therefore H1 was supported

*H<sub>1</sub>: There is a positive significant relationship between Emotional intelligence and leadership effectiveness*

Variable and statistic	Standardized Beta	Coefficients Significance
Self- emotion appraisal	0.265	0.001
Others emotion appraisal	0.235	0.001
Use of emotion	0.285	0.000
Regulation of emotion	0.184	0.005
F	51.063	
Adjusted R square	0.589	

\* $p < .05$ . \*\* $p < .01$ . \*\*\* $p < .001$

a- Dependent variable: leadership effectiveness.

Table 5: Regression Analysis

The results of table (5) indicate the contribution of variables and the level of significance of the variables. Self-emotion appraisal, others emotional appraisal, use of emotion and regulation of emotions these are the sub-variables of the emotional intelligence variable, they were all significant as there *P*-values were less than 0.05.

The variables have the following standardized regression coefficients self-emotion appraisal ( $\beta =0.265$ ,  $p < 0.01$ ), regarding others emotional appraisal ( $\beta =0.235$ ,  $p < 0.01$ ), concerning use of emotion ( $\beta =0.285$ ,  $p < 0.01$ ) and regulation of emotion ( $\beta =0.184$ ,  $p < 0.01$ ).These results show that all independent sub- variables have positive relationships with leadership effectiveness , and the most remarkable sub-variable impacting leadership effectiveness is use of emotion followed by , self-emotion appraisal, then others emotion appraisal , finally regulation of emotion. The R-square in (table 5) is 0.589, which explains that the independent variables affect the leadership effectiveness by 58.9%. Therefore H1 is accepted

*H<sub>1</sub>: There is a positive significant relationship between Emotional intelligence and leadership effectiveness*

## Discussion and Summary

The purpose of this study was to determine the impact of emotion intelligence on leadership effectiveness. This study was focused on an Egyptian FMCG company (Unilever El-Mashreq). The emotional intelligence model that was used was made up of four sub-variables; self-emotion appraisal, others emotion appraisal, regulation of emotions and use of emotions. This study tried to fill the gap caused by the lack of studies conducted in the Middle East region on the impact and the importance of emotional intelligence and its effect on leaders' performance. This study also helped to gain some useful insights on how to help managers and leaders understand, regulate, control and make good use of their emotions in order to become effective in their organizations.

The results have shown that emotional intelligence has a strong positive and significant relationship with leadership effectiveness ( $r=0.771^{**}$  and  $p=0.01$ ). Emotional intelligence contributes to people's capacity to work effectively in teams, manage stress, and lead others effectively (Rosete and Ciarrochi, 2005). In addition, emotional intelligence helps in improving leadership and performance, thus affects leaders effectiveness (Leary, et al., 2009). Moreover, in the regression analysis, emotional intelligence was proven to have an effect and relationship with leadership effectiveness. Therefore, this supports the current study's hypothesis; that emotional intelligence positively relates to leadership effectiveness. This conforms to the findings of previous studies (Kerr et al., 2006; Sivanathan and Fekken, 2002; Riggio and Reichard, 2008).

Finally, this study concluded that emotional intelligence is an indicator of leadership effectiveness, and it was found that employees in the FMCG Company are emotionally intelligent. Self-emotion appraisal and use of emotion were the most emotional intelligence factors impacting leadership effectiveness in the organization. On the other hand, emotion regulation seemed to be difficult to control, thus it's the least factor in affecting leaders effectiveness. The findings further show that use of emotion accounts for more of the variance in leadership effectiveness.

### Research Limitations

While this study contributes to the understanding of emotional intelligence and its impact on leadership effectiveness, this study has some limitations that should be taken into consideration. First, the study used a non-probability convenience sampling technique with Unilever employees, therefore the findings relied only on the employees who were available and willing to fill the questionnaires. Moreover, the use of a single case study on one organization as a research study setting is a potential limitation, which makes it difficult to generalize the results. Secondly the sample size for the study was small as the researcher excluded the unskilled production staff members within the Company. In addition, the study faced a shortage of relevant studies in the FMCG industry in general and in Egypt in particular. Third, the employees' EI levels were evaluated via a self-report scale, the WLEIS (Law et al., 2004; Wong and Law, 2002). The use of a single self-report tool raises concerns regarding social desirability bias and common method variance.

### Directions for future research

Despite the mentioned limitations in the current study, there are a number of directions that would benefit future researches. Given the narrow segment used in this study, more studies should be conducted across a wider range of multinational companies. Moreover, Future research could add more variables including stress management, psychological well-being, organizational support, and personality and management conflict styles. Another line of research would be to conduct a longitudinal study that examines the changes in the variables of the study over time. Further research, would be necessary in order to help formulate strategies and programs to develop Emotional intelligence. Finally, replications of this research can be done in other countries, to gain an understanding of how different cultures may place a strong or weak emphasis on the impact of emotional intelligence on leadership effectiveness.

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