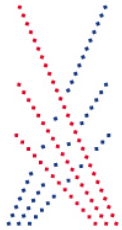

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Does Greater Emotional Intelligence of the Leader always Mean Better Leader Performance? Evidence for a Curvilinear Relationship

Abstract

The research investigated from a non-linear quadratic perspective the relationship of leaders' emotional intelligence (EI) with leader's performance under conditions of organizational change. The trait approach to EI was adopted, and leader's performance was judged along the following outcomes that were rated by subordinates: leader change involvement, leader extra effort, leader effectiveness, followers' satisfaction with the leader, and leader success with implementing change. Hypotheses, predicted inverted-U form relationships between leader's EI and the five measures of leader's performance. Hypotheses were developed on the basis of social science theory, such as Diminishing Marginal Utility theory, and theory of EI. Preliminary analysis shows general support for hypotheses, suggesting that quadratic equations of inverted-U form describe the relationships more accurately than linear equations.

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The society is constantly under change. In order to survive and thrive during such change, effective leadership is deemed crucial (Abrell-Vogel & Rowold, 2014). In the last two-decades, studies have identified emotional intelligence (EI) as an antecedent to effective leadership (Cote et al., 2010; Humphrey & Qian; 2017; Walter et al., 2011; Yitshaki, 2012; Polychroniou, 2009; Mandell & Pherwani, 2003; Barling et al., 2000). Effective leadership involves amongst others the creation of a work environment where followers feel valued; and arguably the emotional support manifested by EI helps achieve this (Sosik & Megerian, 1999; Barling et al., 2000). This has led to an upsurge in investment in EI training programmes for leaders (MacKie, 2014; Phipps et al., 2014; Waldman et al., 2013; Hargis et al., 2011). The aim of such programmes is to inculcate and nourish those personality and behavioural traits that make leaders effective. The present study adopts the trait perspective of EI (Petrides & Furnham, 2001; Andrei, Siegling, Aloe, Baldaro & Petrides, 2016) and utilizes the definition of the GENOS model (Palmer & Stough, 2002), according to which EI entails: (a) accurate identification of the person's own emotions and appropriate display of these emotions *(*recognising and expressing emotions); (b) distinguishing and accurately evaluating the emotions of others and the emotions in the external environment (understanding emotions-external); (c) appropriately incorporating emotional information in reasoning and decision-making to achieve productive outcomes (emotions direct cognition); (d) regulating and suitably channelizing one's own and others positive and negative emotions (managing emotions); and (e) controlling unproductive emotions such as anger, anxiety, frustration to avoid being overwhelmed by them in the work environment (controlling emotions).

While there is a burgeoning literature on EI and leadership performance, studies so far have assumed that the relationship is of linear nature: increases (or decreases) in EI have been

presumed to be associated with equivalent increases (or decreases) in leader's performance across the spectrum of EI scores. However, the possibility that the relationship between EI and leader effectiveness is nor linear, but rather quadratic, cannot be dismissed. To illustrate, the theory of Diminishing Marginal Utility (DMU) or the Yerkes-Dodson law (Teigen, 1994) states that beyond an optimum level increases on a particular trait or competency do not yield further benefits. According to DMU, therefore, EI of the leader may not yield a constant level of return for leader performance: beyond a particular point further increases in EI may bring a decline in leadership outcomes. Furthermore, the trait approach to EI locates EI at the lower levels of established trait personality taxonomies (Petrides, Pita & Kokkinaki, 2007). And there is already evidence that personality traits relate with outcomes in non-linear ways (e.g., Ames & Flynn, 2007; Bozionelos, 2017; Grijalva, Harms, Newman, Gaddis & Fraley, 2015; Vasilopoulos, Cucina & Hunter, 2007). Therefore, treating the relationship of leader's EI with leader's performance as exclusively linear poses the danger that we have an incomplete picture of the magnitude and direction of the relationship, and – equally important – that we provide sub-optimal or erroneous advice for practice.

Hypotheses Development

The present study investigated from a non-linear quadratic perspective the relationship between trait EI and leader performance in a context of change. Leader performance was considered against the following outcomes: leader change involvement, leader extra effort, leader effectiveness, followers' satisfaction with the leader, and leader success with implementing change.

The National Health Service (NHS) served as the context for the study. The study was intentionally conducted during a time of monumental change that entailed restructuring of jobs, merging of departments and trusts, reorganising departments, and changes in job descriptions. All these were to be achieved while ensuring that the day-to-day business of

caring for patients was maintained. Intense and extensive change in the workplace can generate strong emotional reactions that emulate unproductive emotions like anger, denial, anxiety and depression (Abrahamson, 2000; Pritchett & Pound, 2005; Kolb et al., 1994). Facilitating such change requires a balance between sensitivity and assertiveness on the part of the leader. There is recognition that the EI of the leader can facilitate the implementation of change by mitigating resistance to change and reducing disharmony (Chrusciel, 2006; Jordan, 2005; Neil, Wagstaff, Weller & Lewis, 2016).

We considered leader performance in terms of leader change involvement, leader extra effort, leader effectiveness, followers' satisfaction with the leader, and leader success with implementing change. Leader effectiveness may be defined as successfully developing collective goals, flexible decision-making, influencing, inspiring and instilling confidence in followers, providing meaningful identity and generating commitment from followers (Weinberger, 2009). Extra effort pertains to the extent to which a leader is willing to and exerts additional effort going beyond the required benchmarks, with an amplified focus on success. Satisfaction refers to the extent to which followers have faith in their leaders and are contented with the support and efforts of their leaders. Studies on EI and leader effectiveness, extra-effort and satisfaction have generally found a positive relationship (Barling et al., 2000; Boyatzis & Ratti, 2009; Prati et al, 2003). That research, however has hitherto presumed a linear relationship between leader EI and leader performance. The fact that linear presumptions yielded significant relationships in most studies does not mean that non-linear relationships are not present. In fact, it may be that significant linear associations by means of assuring researchers overshadow non-linear associations that may describe the relationship much more accurately (Bozionelos & Singh, 2017; Cohen, Cohen, West & Aiken, 2007). Furthermore, though most studies identified significant relationships, not all have done so. For example, Weinberger (2009) reported non-significant correlations between EI and

perceived leadership effectiveness, extra-effort and satisfaction. That may also be interpreted as implying the possibility of non-linear relationships (Cohen et al., 2007).

In the study at hand we acknowledge the importance of leader's EI in change implementation and change success. However, believe that we ought to delve deeper by means of checking whether the beneficial relationship continues infinitely or whether there is an optimum point, beyond which high EI might be counterproductive. As seen, this proposition is in line with the DMU theory or the Yerkes-Dodson Law along with the very nature of trait EI. We, therefore, postulate that leaders who are actively involved in facilitating and implementing change will demonstrate a tipping point beyond which high EI may result in lower change involvement and lower success with implementing change. We base that argument on the contemplation that excessive EI would make the leaders empathise with followers to such a high extent that they would not be able to balance the organisational prerogatives with follower needs. Too much EI would be associated with too much empathy, which in turn, may make the leader hesitant to apply measures that he/she feels they will impose excessive burden or discomfort to subordinates. As a result, their actions will become follower-centric to the detriment of the interests of the changing organisation. Leaders who surpass a particular threshold in terms of EI will cease to be effective and followers will not be inspired or motivated enough to achieve the collective goals. The possibility of a quadratic relationship of inverted-U form is also backed by another perspective. High levels of EI may be associated with manipulative or Machiavellian behaviour of the leader that might be seen as "pseudo-EI" or fake EI by the followers (Bacon et al., 2018). Hence, too much EI might not generate follower satisfaction but in fact the opposite. The above discussion leads to the following hypotheses:

Hypotheses 1: The relationship of leader's EI with leader's change involvement will be of inverted-U shape.

Hypotheses 2: The relationship of leader's EI with leader's extra effort expenditure will be of inverted-U shape.

Hypotheses 3: The relationship of leader's EI with leader's effectiveness will be of inverted-U shape.

Hypotheses 4: The relationship of leader's EI with subordinates overall satisfaction with the leader will be of inverted-U shape

Hypotheses 5: The relationship of leader's EI with follower perceptions of success with implementing change will be of inverted-U shape.

Method

We adopted a positivist hypothetico-deductive approach. 309 individuals with leadership responsibilities in the NHS participated in this study (33% male and 67% females). Multi-source measurement was utilized, with leader's EI assessed with self-reports and leader's performance rated by subordinates.

Leader's EI was measured with the Swinburne University Emotional Intelligence Test (SUEIT)/ GENOS (Palmer & Stough, 2001) using a 5-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

Change involvement and change success was measured with six items developed for the needs of the study. Subordinates utilized a 5-point scale (1: not at all, 5 frequently if not always) to indiciate the extent to which the believed that their leader was involved in change and the change was being managed successfully by their leader. The Multifactor Leadership Questionnaire (MLQ)-Short Form 5X was utilized to measure leader effectiveness, extra-effort and satisfaction. These were also rated by subordinates on a 5-point scale extending from 0 (not at all) to 4 (frequently, if not always).

Controls, such as biological sex, age, tenure with NHS, were measured with single items completed by both leaders and subordinates.

Results

Hypotheses were tested with hierarchical regressions following guidance for detecting quadratic relationships (Cohen et al., 2003). The controls were entered as a first block, followed by the first-order terms of leader's EI scores, and then in the third step by the second-order (i.e., squared) terms of leader's EI scores. Scores on leader's EI were centred to reduce the possibility for multicollinearity between first- and second-order terms (Cohen et al., 2003). A significant second-order term suggests quadratic relationship, and the sign of the second-order regression coefficient informs on the curvature. Preliminary results show general support for the hypotheses, most relationships were of inverted-U form. Such findings have serious implications for EI and leadership theory, but also for leadership training. Full results will be ready to present in the Conference.

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