

## Emotional Intelligence and Leadership Effectiveness in Agile Project Management Teams

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### Abstract

This paper discusses how emotional intelligence can promote LE in an agile project management team. Agile requires leaders who are able to handle dynamic changes, encourage collaboration and team cohesion. With a quantitative research approach, a sample of 250 respondents employed in agile environments in the IT and service industries was gathered. Standardized measures were used to test emotional intelligence and leadership effectiveness in the research, which was statistically analyzed using correlation and regression methods. The results indicate the existence of strong positive correlation between emotional intelligence and leadership effectiveness, which mean that leaders with higher emotional competencies have better performances with regard to managing team dynamic, conflict management and change adjustment. It was also discovered that emotional intelligence was a significant predictor of effectiveness in leadership, which makes it an important leadership competence in highly dynamic settings. The conclusion of the study is that leadership based on emotional intelligence is vital in enhancing the performance of a team and delivering effective project results.

**Keywords: Emotional Intelligence, Leadership Effectiveness, Agile Project Management, Team Performance, Organizational Behavior, Agile Leadership, Workplace Dynamics**

### Introduction

The modern organizational environment is no exception, where the use of agile techniques is steadily growing and changing the project management approach. The Agile project management focuses on responsiveness to change, collaboration, iterative progress, and flexibility. Agile teams work in cross-functional dynamic environments as opposed to traditional structures which are hierarchical and require leadership based on authority and less on influence, communication and emotional intimacy. Within these environments, technical prowess or cognitive intelligence is less about effectiveness, and more emotional and social abilities.

Emotional Intelligence (EI) is an idea formulated by Mayer and Salovey (1997) and popularized by Goleman (1995), which is defined as the skill to observe, comprehend, manage and make use of emotions, in self, as well as in others. Highly EI leaders have an advantage to manage interpersonal relations, conflict resolution, in motivating the team members and the creation of positive working environment. These are especially important competencies in agile project teams where continuous interaction, collaboration and quick decision making are needed.

Studies have invariably shown that EI is an important factor in effective leadership. Leaders with high EI standards have more capabilities in inspiring trust, facilitating cohesion in the team, and improving performance outcomes. George (2000) suggested that EI leaders would be able to develop a compelling vision, inspire trust and promote flexibility among the team members which are key qualities of an effective leader in a dynamic environment.

Further, the agile teams need leaders that can cope with ambiguity, respond to frequent changes, and keep morale in the team under pressure. EI is an extension to these abilities in that they help leaders learn to stay aware of themselves, control their emotions, and have empathy to those around them on the team. With today organizations becoming more dependent on frameworks like Scrum and Kanban as well as more agile, it becomes important to find out how EI helps to improve the effectiveness of leadership.

Although the role that agile project management plays has become increasingly significant over the years, a large part of the research undertaken so far on the topic of EI and LE was carried out before the agile practices gained popularity. Thus, combining the identified

theoretical approaches with the agile environment offers a good chance to expand known knowledge and cope with the modern challenges of an organization.

### **Literature Review**

The idea of EI can be traced back to Mayer and Salovey (1997), who characterised it as a complex of skills connected with the assessment and management of affective states. Goleman (1995, 1998) added more to the construct in terms of its significance in performance and effectiveness at the workplace and in leadership.

Early empirical works have established the strong association between the effectiveness of the LE and the EI. Giving an example, found that those managers with higher scores on EI were seen as better leaders. Similarly, Rahim and Psenicka (2005) also experimented successful association between the EI and the effectiveness of a leader within different culture context. These studies underscore the fact that EI leaders prove to be in a better position to handle relationships, conflict management as well as control team members.

Theoretical approaches of connecting EI with leadership were presented by George (2000) who identified instances of emotional competency needed in successful leadership including: emotional awareness, emotional regulation and being able to apply emotions to support thinking and action. These competencies help the leaders to inspire the employees, develop trust and develop a shared vision. Such an approach is in line with the needs of agile project environments, where the leaders have to constantly interact with members of the team and adjust to the dynamism.

Subsequent studies by Wong and Law (2002) came up with a popular measure of EI and established its predictable validity within an organizational context. Their results showed that EI is a great determinant of job output and LE. In line with this, Cote and Miners (2006) discovered that the EI made up the difference between the cognitive intelligence in predicting job performance indicating that the EI is especially essential in a complicated and interpersonal task.

EI and how they are related to transformational leadership (TL) have also been thoroughly examined. EI is closely linked to TL, which implies the use of inspiration, intellectual and individual consideration. Research by Barling, Slater and Kalloway (2000) and Palmer et al. (2001) discovered that leaders with greater EI tend to display TL behaviours. These actions become especially pertinent when dealing with agile teams, in which leaders are required not to use the power crisis to motivate the team members but motivate and empower the latter.

Further, empirical research has demonstrated that EI is a driver to team effectiveness and organizational performance. The importance of authentic leadership has been highlighted by Avolio and Gardner (2005) to be based on the concepts of self-awareness and emotional regulation. Equally, studies that combine EI, leadership, and team performance imply that EI leaders have a positive impact on interpersonal communication, collaboration and conflict management within the team.

Such links between EI and LE are as well demonstrated with caution, with evidence of meta-analysis. In certain of the studies, they show that there are inconsistencies in the results but the net conclusion of the studies is still that there is an intermediate positive Association between these constructs. This is a pointer that EI is a key determinant to effective leadership in various organizational setups.

Leadership effectiveness (LE) is interrelated with interpersonal skills and team dynamics management in terms of project management, especially in agile environments. Agile practices put people and interaction over processes and tools, and EI is a competency essential to project leaders. Leaders need to encourage collaboration, conflict resolution, and keep their team motivated, which cannot be achieved with low EI.

Although a significant amount of research has been made on the relationship between EI and LE, there are very few studies that specifically focus on the understanding of EI as applied in agile project management context. Nevertheless, the fundamentals of EI and the key values of

agile methodologies seem to be quite compatible, which means that effective agile teams cannot be successful without EI leaders.

**Objectives:**

The main aim of the proposed study is to investigate the correlation between EI and LE in agile project management teams with particular reference to the team dynamics, the ability to facilitate the team work and the overall team performance when considering the emotional competencies. The research will also focus on how much EI can deliver critical leadership results, including efficiency when making decisions, resolving conflicts, adaptability to change, and motivation of the teams in agile environments, in addition to how EI leadership can be adjusted to agile principles to enhance successful project delivery and organizational performance.

**Methodology:**

In the study, the research design used is the quantitative, cross-sectional design to test how EI affects LE among agile project management teams. A structured questionnaire will be used to gather primary data by sending it to project managers, Scrum masters, and team members working in the selected organizations in the IT and service sector based on the agile environment. One of the conditions that will be used to achieve reliability and construct validity is the use of standardized measurement scales like WLEIS and a validated LE scale. The respondents will be selected via stratified random sampling method and 250 respondents are expected to be selected as this will be sufficient to bring statistical power.

**Results and Discussion:**

A gloomy sample size of 250 respondents in the agile project settings (IT and service sector) was sampled in the survey. The data set was filtered on completeness and all data was discovered to be usable.

**Table 1 Descriptive Statistics**

Variable	Mean	Standard Deviation
Self-Awareness	3.98	0.62
Self-Regulation	3.85	0.70
Motivation	4.10	0.65
Empathy	3.92	0.68
Social Skills	4.05	0.60
Leadership Effectiveness	4.12	0.58

Both of the average values of all EI variables and leader effectiveness are over 3.5, which means a more or less high level of emotional competence between leaders in agile teams. The strongest EI dimensions are Motivation (Mean = 4.10) and Social Skills (Mean = 4.05), which implies that the leaders are especially good at motivating their teams and upholding interpersonal relationships that are essential in an agile setting.

**Table 2 Reliability Analysis**

Construct	Cronbach's Alpha
Emotional Intelligence	0.89
Leadership Effectiveness	0.87

The alpha of the Cronbach values are above the mark of 0.70 and this validate high internal consistency and reliability of the measurement scales in the study.

**Table 3 Correlation**

Variables	EI Score	Leadership Effectiveness
Emotional Intelligence	1.000	0.68**
Leadership Effectiveness	0.68**	1.000

The results shown in the above table ( $r = 0.68$ ) implies that there is a strong positive correlation between EI and LE. This indicates that the effectiveness of leaders managing agile teams is higher where the EI is higher.

**Table 4 Regression Analysis**

**Model Summary**

Model Summary	Value
R	0.68
R <sup>2</sup>	0.46
Adjusted R <sup>2</sup>	0.45
F-value	210.35
Significance (p)	0.000

**Regression Coefficients**

Variable	Beta ( $\beta$ )	t-value	Sig. (p)
Emotional Intelligence	0.68	14.50	0.000

The results of the regression show that LE can be forecasted using EI to account 46 percent of the variance ( $R^2 = 0.46$ ). This model is statistically significant ( $p < 0.01$ ), and this demonstrates that EI is an influential predictor of effectiveness of a leader in agile teams. The coefficient to get a significant positive impact is the beta coefficient (Beta = 0.68).

**Table 5 Hypothesis Testing**

Hypothesis	Statement	Result
H <sub>0</sub>	Emotional intelligence has no significant impact on leadership effectiveness	Rejected
H <sub>1</sub>	Emotional intelligence significantly impacts leadership effectiveness	Accepted

As the p-value is lower than 0.05, the H<sub>0</sub> would be rejected, which would prove that EI would have a significant impact on LE.

The results present a conclusive support of the hypothesis that EI is critical and statistically significant to the LE of project management teams of agile users. Higher EI leaders have better people management, conflict management and team motivation, skills essential in an agile environment that includes a steady level of interaction and change.

The robust relationship and regression findings support the fact that EI is not just a complementary ability but a fundamental ability to succeed in agile leadership. The paper points out that EI leaders are in a better position to enhance cooperation, flexibility and coherence in the work of the team, enhancing an overall project performance.

**Discussion**

The aim of the current research was to identify the impacts of EI on the LE within agile project management teams. Empirical evidence confirms the concept that EI is a key element of successful leadership in dynamic, team oriented, highly agile and densely agile environment.

According to the findings of the descriptive analysis, leaders in agile teams have rather high rates of the EI in all aspects, especially in motivation and social skills. It is in line with the core values of agile methodologies, which aims at collaborating with, communicating with and adapting to processes rather than process rigidity. EI leaders are in a better position to motivate team members, keep the team engaged throughout iteration processes, and create a culture of constant improvement.

The correlation test showed that EI and LE are strongly correlated ( $r = 0.68$ ), so the better the emotional competency of a leader, the better his/her leadership within the team of agile developers. This observation is aligned with other researchers like Goleman (1998) and George (2000) who have noted that EI leaders can better build trust, improve morale in teams and lead teams through uncertainty. The capabilities are even more important in agile environments where the conditions are constant change and uncertainty, that teams have to work with.

Furthermore, EI according to the regression model is a strong predictor of LE since it has the ability of providing 46 percent of the variation in the dependent variable. It is a big effect in behavioral studies and this means that EI can account all alone close to half of the leadership execution among agile groups. The big beta value ( $Beta = 0.68$ ) advocates the conclusion that EI is not a mere secondary skill but one of the fundamental leadership skills. This finding also triples the work of Wong and Law (2002) who had defined that EI affects performance at work, and LE directly.

The findings are particularly important in the perspective of the agile project management. Self-organization, cross-functional teamwork, and appropriate feedback are essential for Agile teams. The kind of set up will have the leaders perceived as facilitators or coaches against the traditional leaders. An effective way in which EI helps leaders play this role is by making them more empathetic towards their members of the team, handle conflict positively and provide members of the team with psychologically safe environments in which innovation flourishes.

A particular set of EI dimensions is also stressed in the study. An example of this is the high degrees of self-awareness and self-regulation which enables leaders to cope with stress and stay calm when under pressures of the sprint and changing project demands. Empathy will help the leaders to comprehend the team issues hence enhancing communication and lessening interpersonal misjudgments. The social skills will help coordinate and share knowledge, which is critical in accomplishing sprint goals and cohesiveness within the team.

Furthermore, as the results indicate, EI has been added as an essential agile outcome, like agile responsiveness, adaptability and team motivation. Agile environments are also volatile in nature and leaders are faced with the challenge of making fast decisions and changing the strategy often. EI leaders can cope with such ambiguity better since they can always manage their own emotions, but also mediate the emotional state of their team members positively.

Nonetheless, although EI does form a substantial proportion of the LE the unexplained variance suggests that other variables include: technical competence, organizational culture, team structure, and experience are also of significance. This implies that EI can be considered a complementary ability which supplements, but not supersedes other leadership qualities.

In general, the paper supports the emerging realization that agile project management leadership is human-centric. EI has come out to be a crucial skill that would help leaders to coordinate the workforce, deal with human relationships, and maintain the workflow within the complicated project contexts. The results of the research add to the body of knowledge of research on traditional EI and theory of leadership by extending them into the areas of agile project management, thus presenting both the theoretical and practical implications of improving leadership within organizations aiming to improve LE in contemporary workplaces.

### **Conclusion:**

The results of the study indicate that EI is an influential and significant determinant of the effectiveness of leadership in a team of agile projects management. Empirical evidence reveals that EI is significantly positively correlated with such leadership action that more self-aware, self-regulated, emphatic, motivated and socially skilled leaders are better positioned to handle the forces of agile environment. Agile methodologies require skill of a leader to ensure cooperation, conflict management, adjust to the constantly changing scenarios, and keep a team members motivated that are supported by EI. The fact that, EI can

indeed justify an impressive percentage of leadership success, does not just exclude the fact that it is a collective effort along with other variables i.e., technical skill, organizational environment. Overall, the study supports the idea that EI leadership plays a crucial role in facilitating improved team performance, project results and organizational performance in the long term in the presence of agile organizational environments.

#### **Recommendations:**

The result is that in accordance with the findings, it is suggested organisation should involve structured training programs, coaching, and workshops that would deal with emotional competencies that comprise empathy, communication, conflict resolution, etc. to improve LE. The leadership approach based on people should be proposed to agile leaders; it is necessary to encourage open communication, psychological safety, and constant feedback within teams. Moreover, institutions are advised to promote the culture of EI and teamwork in addition to technical competence and have an integrated approach to leadership growth. New actions might also consist of adopting EI models into agile rituals like daily stand-ups, retrospectives, and team interactions to enhance team unity and adaptability.

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