ISSN No. 2321-2705 | DOI: 10.51244/IJRSI |Volume XII Issue XI November 2025

The Influence of Emotional Intelligence on Leadership Effectiveness and Team Performance in High-Stress Corporate Environments in Lagos State, Nigeria

[1]Chukwunonye N. Anyakoha., *[2]Chinyere U. Nwolisa

[1]Department of Business Education, Faculty of Vocational and Technical Education University of Nigeria, Nsukka, Enugu State, Nigeria

[2]Research Department, Central Bank of Nigeria Marina, Lagos State, Nigeria

***Corresponding Author**

DOI: https://dx.doi.org/10.51244/IJRSI.2025.12110105

Received: 01 December 2025; Accepted: 07 December 2025; Published: 09 December 2025

ABSTRACT

In high-stress corporate environments in Lagos State, Nigeria—characterized by economic volatility, infrastructural deficits, tight deadlines, and competitive pressures—emotional intelligence (EI) emerges as a pivotal driver of leadership effectiveness and team performance. This cross-sectional quantitative study surveyed 354 professionals from banking, manufacturing, IT, and finance sectors using validated scales: WPQei for EI, MLQ-5X for leadership effectiveness, TWQ for team performance, and PSS-10 for perceived stress. Results from hierarchical regression and structural equation modeling revealed EI as a strong predictor of leadership effectiveness ($\beta = .66$, $p < .001$, $R^2 = .540$) and team performance ($\beta = .30$ direct, $p < .001$), with leadership effectiveness partially mediating the EI-team performance link (indirect $\beta = .39$, $p < .001$). Perceived stress negatively correlated with outcomes ($r = -.25$ to $-.31$) but did not moderate EI effects, indicating EI's robust benefits across stress levels. These findings extend EI theory to Nigeria's VUCA context, emphasizing self-awareness, empathy, and social skills in fostering resilience, trust, and productivity. Practically, organizations should integrate EI training to mitigate burnout and enhance outcomes. Limitations include cross-sectional design; future longitudinal research is recommended.

Keywords: Emotional Intelligence, Leadership Effectiveness, Team Performance, High-Stress Environments, Lagos, Nigeria

INTRODUCTION

In the dynamic and often tumultuous landscape of modern corporate environments, effective leadership serves as the cornerstone for organizational success, particularly in high-stress settings where rapid decision-making, interpersonal conflicts, and resource constraints are commonplace. High-stress corporate environments, characterized by intense deadlines, economic volatility, and competitive pressures, demand leaders who can not only navigate these challenges but also inspire and sustain high-performing teams. Emotional intelligence (EI), defined as the ability to recognize, understand, and manage one's own emotions while perceiving and influencing the emotions of others, has emerged as a critical factor in enhancing leadership effectiveness and team outcomes. This introduction explores the interplay between EI, leadership effectiveness, and team performance within high-stress corporate contexts, with a specific focus on Lagos State, Nigeria—a bustling economic hub marked by unique socio-economic stressors. Drawing on recent empirical research, it highlights the relevance of EI in mitigating stress-related disruptions and fostering resilient organizational cultures.

EI, popularized by Goleman (1995) but refined in contemporary models, encompasses key components such as self-awareness, self-regulation, motivation, empathy, and social skills. These elements enable individuals to handle emotional demands effectively, transforming potential stressors into opportunities for growth. In corporate settings, leaders with high EI are better equipped to foster positive work environments, as they can

ISSN No. 2321-2705 | DOI: 10.51244/IJRSI |Volume XII Issue XI November 2025

regulate their responses to pressure and empathize with team members' experiences. For instance, a hybrid literature review of 104 peer-reviewed articles from 1998 to 2022 underscores that EI positively correlates with transformational leadership styles, which in turn mediate improvements in team effectiveness, commitment, and overall performance. This relationship is particularly pronounced in volatile environments, where EI helps leaders mitigate the impacts of crises, such as those induced by global events like the COVID-19 pandemic, by promoting resilience and adaptive behaviors among teams.

Leadership effectiveness, often measured by outcomes like employee engagement, decision-making quality, and organizational commitment, is significantly amplified by EI. Leaders who excel in EI demonstrate superior abilities in conflict resolution, motivation, and building trust, which are essential for maintaining productivity under stress. A comprehensive review of 101 empirical studies (1990–2021) reveals that leader EI is positively associated with a range of beneficial outcomes, including transformational leadership dimensions such as inspirational motivation and individualized consideration. These findings indicate that EI supports both relational and task-oriented leadership, enabling leaders to reduce counterproductive behaviors and enhance job performance. In multicultural work environments, EI predicts leadership effectiveness, with regression analyses showing a significant beta coefficient ($\beta = 0.12$, $p < .001$), allowing leaders to manage diverse teams by fostering inclusion and resolving cultural conflicts. Such capabilities are vital in high-stress corporate sectors, where emotional dysregulation can lead to burnout and decreased efficacy.

Beyond individual leadership, EI exerts a profound influence on team performance, acting as a catalyst for cohesion, communication, and collective resilience. Teams led by emotionally intelligent individuals exhibit lower conflict levels, higher trust, and improved productivity, as EI facilitates the establishment of supportive group norms. Empirical evidence from a systematic review emphasizes that EI enhances team dynamics through mediators like group cohesiveness and transformational leadership, leading to better project success and reduced stress. In high-stress settings, such as intensive care units or fast-paced corporate offices, EI correlates strongly with work performance ($r = 0.611$, $p < 0.05$), enabling better stress management and interpersonal relations that indirectly boost team outcomes. For example, in banking sectors, EI among managers positively impacts decision-making quality ($r=0.760$, $p<0.05$) and team performance ($r=0.541$, $p<0.05$), highlighting its role in navigating regulatory and economic pressures. These associations suggest that EI not only improves individual contributions but also amplifies team synergy, particularly when leaders use empathy and social skills to address emotional exhaustion.

High-stress corporate environments amplify the necessity of EI, as chronic stressors like workload overload, uncertainty, and interpersonal tensions can erode leadership effectiveness and team morale. Research indicates that leaders with high EI are adept at alleviating workplace stressors through compassionate management styles, which reduce employee stress experiences and enhance well-being. In such contexts, EI moderates the negative effects of abusive supervision or volatile conditions, promoting resilience and sustained performance. A cross-sectional study in Nigeria's plastic manufacturing sector found that leader EI, particularly self-awareness, significantly correlates with workplace harmony, reducing grievances and strikes in stressful industrial settings. Similarly, in healthcare organizations—a proxy for high-stress corporate parallels—stress prevalence reaches 61.97% among Nigerian workers due to resource shortages and overload, underscoring the need for EI-driven strategies to mitigate burnout and improve productivity. These insights reveal that EI equips leaders to transform stress into a unifying force, fostering adaptive teams that thrive amid adversity.

In the Nigerian context, particularly Lagos State, these dynamics are intensified by unique socio-economic factors. As Nigeria's commercial epicenter, Lagos hosts a vibrant corporate sector plagued by infrastructural challenges, economic instability, traffic congestion, and cultural diversity, all contributing to elevated stress levels. Empirical studies in Nigerian firms demonstrate that EI enhances interpersonal relations and leadership effectiveness in manufacturing and banking industries. For instance, in Aba's manufacturing firms, EI components like self-awareness and self-motivation strongly correlate with cooperation ($r = .915$, $p < .001$) and affective commitment ($r = .820$, $p < .001$), reducing dysfunctional behaviors in stressful work environments. In the banking sector, EI influences financial management behavior and employee well-being, enabling better service delivery amid public healthcare and economic pressures. Another study in Rivers State manufacturing companies echoes this, showing leader EI's positive link to harmony in plastic firms. However, despite these findings, research on EI in Lagos' high-stress corporate settings remains limited, with most

ISSN No. 2321-2705 | DOI: 10.51244/IJRSI |Volume XII Issue XI November 2025

studies focusing on general Nigerian industries rather than the specific urban stressors of Lagos, such as hyper-competitive markets and infrastructural deficits.

This gap is noteworthy, as Lagos' corporate landscape—encompassing finance, technology, and manufacturing—demands tailored insights into how EI can optimize leadership and team performance under localized pressures. While global reviews affirm EI's universal benefits, contextual nuances in developing economies like Nigeria, including cultural hierarchies and resource constraints, warrant empirical investigation. A recent study on Nigerian bank staff highlights EI's role in enhancing decision-making and team outcomes, yet few address the interplay in high-stress environments specific to Lagos.

The present empirical study addresses this lacuna by examining the influence of EI on leadership effectiveness and team performance in high-stress corporate environments in Lagos State, Nigeria. Utilizing a quantitative approach with validated scales like the Wong and Law Emotional Intelligence Scale and the Multifactor Leadership Questionnaire, it investigates these relationships among corporate professionals. By identifying how EI moderates stress impacts, this research aims to provide actionable insights for leadership development programs, ultimately contributing to more resilient and productive organizations in Nigeria's economic powerhouse.

LITERATURE REVIEW

Conceptualization of Emotional Intelligence

Emotional intelligence (EI) has evolved as a pivotal construct in organizational psychology, encompassing the ability to perceive, understand, use, and regulate emotions in oneself and others. Rooted in models such as those proposed by Mayer and Salovey, EI is often divided into key components: self-awareness, self-regulation, motivation, empathy, and social skills. Recent hybrid literature reviews have synthesized over 100 studies, confirming EI's role in enhancing individual and collective outcomes in professional settings. These components enable individuals to navigate interpersonal dynamics effectively, particularly in demanding work environments where emotional regulation can mitigate conflicts and foster resilience. In workplace contexts, EI is measured through tools like the Wong-Law Emotional Intelligence Scale (WLEIS) and Mayer-Salovey-Caruso Emotional Intelligence Test (MSCEIT), with trait-based models showing stronger correlations to leadership traits than ability-based ones.

Contemporary research emphasizes EI's distinction from cognitive intelligence and personality traits, such as the Big Five, although overlaps exist with agreeableness and extraversion. A systematic review of empirical studies highlights EI's predictive validity for success in higher organizational roles, especially in volatile, uncertain, complex, and ambiguous (VUCA) environments. For instance, EI correlates positively with adaptability, mindfulness, and generational differences, such as Generation Z's preference for emotionally attuned leadership. In developing economies like Nigeria, EI is increasingly recognized as a tool for addressing cultural and economic stressors, where self-awareness and empathy help bridge hierarchical gaps in corporate hierarchies. However, challenges in measurement persist, with self-report biases potentially inflating correlations, necessitating multi-rater assessments for accuracy. Overall, EI serves as a foundational element for leadership and team dynamics, particularly in high-stress settings where emotional dysregulation can exacerbate performance declines.

Emotional Intelligence and Leadership Effectiveness

The linkage between EI and leadership effectiveness is well-documented in recent literature, with EI emerging as a key predictor of successful leadership behaviors and outcomes. Systematic reviews indicate that leaders with high EI excel in transformational leadership styles, characterized by inspirational motivation, individualized consideration, and intellectual stimulation. These leaders foster employee engagement, trust, and innovation by managing emotions adeptly, leading to improved decision-making and conflict resolution. For example, a comprehensive analysis of 101 studies from 1990-2021 reveals positive associations between leader EI and dimensions of transformational leadership, with empathy and social skills mediating effects on

ISSN No. 2321-2705 | DOI: 10.51244/IJRSI |Volume XII Issue XI November 2025

team commitment and project success. EI also contributes to servant and emergent leadership, where relational skills enhance leader-member exchanges and reduce counterproductive behaviors like withdrawal or turnover.

Cross-cultural meta-analyses further substantiate EI's incremental validity over personality traits and cognitive ability in predicting subordinate task performance and organizational citizenship behavior. In collectivistic cultures, such as those in Nigeria, EI's impact is amplified in high power distance settings, where leaders use empathy to navigate hierarchical structures and cultural diversity. Qualitative studies in project management contexts affirm that EI competencies, including self-regulation and empathy, enable leaders to maintain composure under pressure, resulting in balanced decisions and higher stakeholder satisfaction. However, mixed findings exist; some reviews critique the overreliance on self-reports, suggesting that EI's link to leadership effectiveness may weaken when controlling for cognitive factors. Training interventions have shown promise, with meta-analyses demonstrating moderate effect sizes (SMD = 0.44) in improving EI, leading to sustained enhancements in leadership efficacy post-training.

In Nigerian contexts, EI is particularly salient for leadership in manufacturing and brewing industries, where leaders perceive it as essential for ethical decision-making and building trust. Correlational studies in Lagos State manufacturing firms report significant positive relationships between EI dimensions (e.g., innovation, intuition) and leadership performance, predicting better organizational outcomes. Similarly, in educational settings like the University of Ibadan, self-emotion appraisal and use of emotions strongly predict leadership effectiveness, underscoring EI's role in fostering adaptive leadership amid resource constraints. These findings suggest that EI not only enhances individual leadership but also buffers against contextual challenges in high-stress environments.

Emotional Intelligence and Team Performance

EI extends its influence beyond individual leadership to team-level outcomes, acting as a catalyst for cohesion, communication, and collective efficacy. Hybrid reviews of peer-reviewed articles reveal that team EI norms, shaped by leaders' EI, correlate with reduced conflicts, higher trust, and improved performance. Emotionally intelligent teams exhibit better emotional regulation, leading to lower burnout and enhanced innovation, particularly in interdisciplinary or virtual settings. For instance, in finance organizations, EI fosters team morale and collaboration, directly contributing to project success by enabling effective conflict resolution and motivation under pressure.

Empirical evidence from meta-analyses supports EI's positive correlation with team attitudes and behaviors, with transformational leadership mediating its impact on team commitment and effectiveness. In high-pressure sectors, such as oil and gas in Nigeria, EI-integrated leadership styles (e.g., achievement-oriented and directive) promote cross-cultural adaptation, enhancing team effectiveness through adaptive behaviors and shared ownership. However, challenges arise when EI is imbalanced; excessive empathy may delay decisions, necessitating context-specific applications. Training programs targeting EI yield moderate improvements in team dynamics, with effects persisting over time.

In Nigerian banking and manufacturing, EI positively affects team performance by improving interpersonal relations and stress coping, with beta coefficients indicating strong predictive power (e.g., $\beta = 0.424$ for overall EI). Studies in the brewing industry echo this, showing EI-driven strategies like recognition and team bonding reduce turnover and boost collective productivity. These insights highlight EI's role in transforming team potential into tangible performance gains.

Leadership Effectiveness and Team Performance

Leadership effectiveness serves as a mediator between EI and team performance, with effective leaders leveraging EI to align team efforts toward organizational goals. Reviews confirm that transformational and authentic leadership styles positively impact team cohesion and outcomes, reducing deviance and enhancing citizenship behaviors. In Nigeria, qualitative perspectives link participatory and dynamic leadership to improved organizational performance, mitigating issues like high turnover through trust-building. Path-goal

ISSN No. 2321-2705 | DOI: 10.51244/IJRSI |Volume XII Issue XI November 2025

leadership in cross-cultural teams further demonstrates how adaptive styles enhance effectiveness by fostering long-term orientation and reducing burnout.

High-Stress Corporate Environments and Their Impact

High-stress environments, characterized by workload overload, uncertainty, and resource scarcity, adversely affect performance, leading to burnout and reduced productivity. In Nigeria, occupational stress prevalence reaches 61.97% in healthcare, extending to corporate sectors with poor infrastructure and economic pressures. Graduate employees with more experience report higher stress, influenced by educational qualifications and role demands. The Job Demands-Resources model underscores the need for balancing demands with supports like autonomy to prevent strain. EI mitigates stress impacts by enabling better coping and resilience. In banking, EI shows a positive correlation with performance (r moderate), countering stress's negative effects. Leaders with high EI reduce team exhaustion through empathy and regulation, enhancing outcomes in VUCA settings. In Lagos, EI addresses unique stressors like traffic and competition, with studies in manufacturing showing strong correlations between EI and harmony. Brewing industry leaders use EI for job satisfaction, reducing turnover amid harsh conditions.

Despite robust findings, gaps include limited longitudinal studies in Lagos-specific high-stress corporates and under-exploration of EI's dark side. This study addresses these by examining EI's influence in Lagos.

MATERIALS AND METHODS

Research Design

This study adopted a quantitative, cross-sectional survey design to examine the relationships between emotional intelligence (EI), leadership effectiveness, and team performance in high-stress corporate environments. A cross-sectional approach was selected as it allows for efficient data collection at a single point in time from a large sample, facilitating the analysis of associations among variables without implying causality. The design incorporated structured questionnaires to measure the constructs empirically, aligning with positivist paradigms that emphasize objective measurement and statistical testing. Hypotheses were tested regarding the direct and mediating effects of EI on leadership effectiveness and team performance, with high-stress environments serving as a contextual moderator. This design is particularly suitable for organizational research in developing economies like Nigeria, where resource constraints limit longitudinal studies.

Population and Sampling

The target population comprised corporate professionals working in high-stress sectors in Lagos State, Nigeria, including banking, manufacturing, information technology, and finance. These sectors were chosen due to their exposure to intense pressures such as economic volatility, tight deadlines, and competitive demands, as identified in recent Nigerian workplace studies. The accessible population was estimated at approximately 50,000 employees across major corporations in Lagos, based on data from the Lagos State Employment Trust Fund and industry reports.

A sample size of 384 participants was determined using the Yamane (1967) formula for finite populations, adjusted for a 95% confidence level and 5% margin of error, with an additional 10% added to account for potential non-response, resulting in a target distribution of 422 questionnaires. Stratified random sampling was employed to ensure representation across sectors: banking (40%), manufacturing (30%), IT (20%), and finance (10%). Within each stratum, simple random sampling was used to select participants from employee lists provided by cooperating organizations. Inclusion criteria required participants to be full-time employees with at least two years of experience in supervisory or team roles, aged 25-55, to capture those likely exposed to leadership and stress dynamics. This approach minimized selection bias and enhanced generalizability within Lagos' corporate context.

ISSN No. 2321-2705 | DOI: 10.51244/IJRSI |Volume XII Issue XI November 2025

Instruments

Data were collected using a multi-section questionnaire comprising validated scales for each construct. All items were rated on a 5-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree) unless otherwise specified, to ensure consistency and ease of response.

- **Emotional Intelligence (EI)**: Measured using the Work Profile Questionnaire-Emotional Intelligence Version (WPQei), a 28-item scale assessing seven dimensions: innovation, self-awareness, intuition, emotions, motivation, empathy, and social skills. This instrument was selected for its applicability in Nigerian manufacturing and corporate settings, with recent validations showing high reliability (Cronbach's $\alpha > 0.80$). Sample items include "I am able to control my temper and handle difficulties rationally" (self-regulation) and "I can understand the emotions of people around me" (empathy).

- **Leadership Effectiveness**: Assessed via the Multifactor Leadership Questionnaire (MLQ-5X Short Form), a 45-item scale evaluating transformational, transactional, and laissez-faire leadership styles. Only the transformational and transactional subscales (36 items) were used, as they align with EI-influenced behaviors like inspirational motivation and individualized consideration. The MLQ has demonstrated strong psychometric properties in high-stress environments (Cronbach's $\alpha = 0.85$-0.92), with adaptations for African contexts. A sample item is "I treat others as individuals rather than just as a member of a group."

- **Team Performance**: Measured using the Teamwork Quality Scale (TWQ) by Hoegl and Gemuenden (2001), adapted and validated in recent studies with 36 items across six dimensions: communication, coordination, balance of member contributions, mutual support, effort, and cohesion. This scale was chosen for its focus on team dynamics in corporate settings, with reliability coefficients ranging from 0.78 to 0.89 in Nigerian bank employee samples. An example item is "There was frequent communication within the team."

- **High-Stress Environments**: To contextualize the setting, the Perceived Stress Scale (PSS-10) by Cohen et al. (1983) was included as a moderator, with 10 items assessing stress perceptions over the past month on a 5-point scale (0 = Never to 4 = Very Often). Recent validations in Nigerian workplaces confirm its reliability (Cronbach's $\alpha = 0.82$), capturing stressors like workload and uncertainty. A sample item is "In the last month, how often have you felt that you were unable to control the important things in your life?"

The questionnaire also included a demographic section (age, gender, tenure, sector) to control for confounding variables. Pilot testing was conducted with 50 non-sampled corporate employees in Ogun State, yielding Cronbach's alpha values of 0.82 (EI), 0.89 (leadership), 0.85 (team performance), and 0.80 (stress), all exceeding the 0.70 threshold for internal consistency. Content validity was ensured through expert review by three organizational psychologists, and face validity via pilot feedback.

Data Collection Procedure

Data collection occurred between June and September 2025 in Lagos State. Ethical approval was obtained from the Institutional Review Board of the University of Lagos. Participants received an information sheet explaining the study's purpose, voluntary nature, confidentiality, and right to withdraw. Informed consent was secured via signed forms or electronic agreement for online respondents. Questionnaires were distributed through a mixed-mode approach: in-person (60%) at corporate offices with permission from HR departments, and online (40%) via Google Forms to accommodate remote workers. Research assistants, trained in ethical protocols, facilitated distribution and followed up via email or phone to boost response rates. A total of 422 questionnaires were distributed, with 372 returned (88% response rate), of which 354 were usable after screening for completeness. Data were anonymized using unique codes to protect participant identities.

ISSN No. 2321-2705 | DOI: 10.51244/IJRSI |Volume XII Issue XI November 2025

Data Analysis

Data were analyzed using SPSS version 27.0 and AMOS version 26.0 for Structural Equation Modeling (SEM). Preliminary analyses included descriptive statistics (means, standard deviations, frequencies) for demographics and variable distributions. Normality was assessed via skewness and kurtosis, with values within ±2 indicating acceptable normality. Missing data (<5%) were handled using mean imputation.

Inferential analyses comprised:

- Pearson correlation to examine bivariate relationships among EI, leadership effectiveness, team performance, and stress.
- Hierarchical multiple regression to test direct effects (e.g., EI predicting leadership effectiveness) and moderation (e.g., stress moderating EI-leadership links).
- SEM to model the mediated pathway (EI → leadership effectiveness → team performance), assessing fit indices such as Chi-square/df < 3, CFI > 0.95, RMSEA < 0.08, and SRMR < 0.08.

Multicollinearity was checked (VIF < 5), and common method bias via Harman's single-factor test (<50% variance). Significance was set at $p < 0.05$. Power analysis confirmed the sample size provided >80% power for detecting medium effects.

RESULTS

A total of 422 questionnaires were distributed, yielding 372 responses (88% response rate). After excluding incomplete or outlier cases, 354 usable responses were retained for analysis. Table 1 presents the demographic profile of the participants. The sample was balanced in gender (51.4% male, 48.6% female), with a mean age of 36.8 years (SD = 7.2). Most participants held bachelor's degrees (62.1%), had 5–10 years of tenure (45.8%), and worked in banking (40.1%), manufacturing (29.9%), IT (19.8%), or finance (10.2%). These distributions reflect the stratified sampling design and align with Lagos State's corporate workforce demographics.

Descriptive statistics for the study variables are shown in Table 2. Emotional Intelligence (EI) had a mean score of 3.92 (SD = 0.61) on a 5-point scale, indicating moderately high levels among participants. Leadership Effectiveness (LE) scored highest (M = 4.01, SD = 0.58), followed by Team Performance (TP; M = 3.87, SD = 0.64). Perceived Stress (PS) was moderate (M = 2.78, SD = 0.72), consistent with high-stress corporate environments in Nigeria. All variables exhibited acceptable skewness (|0.12| to |0.68|) and kurtosis (|0.09| to |0.55|), confirming normality. Cronbach's alpha coefficients ranged from .82 (PS) to .91 (LE), exceeding the .70 threshold, indicating strong internal consistency.

Pearson correlation coefficients among the variables are presented in Table 3. EI was positively and significantly correlated with Leadership Effectiveness ($r = .68$, $p < .001$) and Team Performance ($r = .59$, $p < .001$), supporting initial hypotheses. Leadership Effectiveness also showed a strong positive correlation with Team Performance ($r = .72$, $p < .001$), suggesting a potential mediating pathway. Perceived Stress was negatively correlated with EI ($r = -.31$, $p < .001$), LE ($r = -.28$, $p < .001$), and TP ($r = -.25$, $p < .01$), indicating that higher stress levels were associated with lower emotional and performance outcomes. Demographic controls (age, tenure, education) showed weak correlations ($|r| < .15$) with key variables and were retained in subsequent regression models.

Hierarchical multiple regression was conducted to test the direct effects of EI on LE and TP, controlling for demographics and stress. Results are summarized in Table 4.

Predicting Leadership Effectiveness (LE): In Step 1, demographic variables (age, gender, tenure, education, sector) explained 6.2% of variance ($R^2 = .062$, $F(5, 348) = 4.61$, $p < .01$). Adding Perceived Stress in Step 2 increased R^2 to .142 ($\Delta R^2 = .080$, F-change = 32.41, $p < .001$), with stress emerging as a significant negative predictor ($\beta = -.29$, $p < .001$). In Step 3, EI was entered and significantly improved the model ($\Delta R^2 = .398$, F-

ISSN No. 2321-2705 | DOI: 10.51244/IJRSI |Volume XII Issue XI November 2025

change = 248.73, $p < .001$), with EI as the strongest predictor ($\beta = .66$, $p < .001$). The final model explained 54.0% of variance in LE ($R^2 = .540$, $F(7, 346) = 58.02$, $p < .001$). Multicollinearity diagnostics confirmed VIF values below 2.1.

Predicting Team Performance (TP): Step 1 (demographics) accounted for 5.8% of variance ($R^2 = .058$, $F(5, 348) = 4.29$, $p < .01$). Step 2 (adding PS) increased R^2 to .118 ($\Delta R^2 = .060$, F-change = 23.58, $p < .001$; $\beta\_PS = -.25$, $p < .001$). Step 3 (adding EI) raised R^2 to .378 ($\Delta R^2 = .260$, F-change = 144.62, $p < .001$; $\beta\_EI = .54$, $p < .001$). In Step 4, Leadership Effectiveness was included, resulting in a final R^2 of .592 ($\Delta R^2 = .214$, F-change = 181.45, $p < .001$). Both EI ($\beta = .28$, $p < .001$) and LE ($\beta = .52$, $p < .001$) remained significant, suggesting partial mediation. The full model explained 59.2% of variance in TP ($F(8, 345) = 62.71$, $p < .001$).

To rigorously test the hypothesized mediation model (EI → LE → TP) while controlling for Perceived Stress, SEM was performed using AMOS 26. The measurement model was first confirmed via confirmatory factor analysis (CFA). All items loaded significantly on their respective latent constructs (standardized loadings > .65, $p < .001$), with composite reliabilities > .85 and average variance extracted (AVE) > .55, supporting convergent validity. Discriminant validity was established as the square root of AVE exceeded inter-construct correlations.

The structural model exhibited excellent fit: $\chi^2(412) = 689.24$, $p < .001$; $\chi^2/df = 1.67$; CFI = .96; TLI = .95; RMSEA = .044 (90% CI [.038, .050]); SRMR = .041. Path coefficients are illustrated in Figure 1. EI significantly predicted LE ($\beta = .70$, SE = .05, $p < .001$) and directly predicted TP ($\beta = .30$, SE = .06, $p < .001$). LE strongly predicted TP ($\beta = .55$, SE = .07, $p < .001$). The indirect effect of EI on TP via LE was significant ($\beta = .39$, 95% CI [.31, .47], $p < .001$) using 5,000 bootstrap samples, confirming **partial mediation** (direct effect remained significant). Perceived Stress negatively predicted both LE ($\beta = -.18$, $p < .01$) and TP ($\beta = -.14$, $p < .05$), but did not moderate any paths when interaction terms were tested ($\Delta\chi^2$ non-significant).

To examine whether high-stress environments moderated the EI-LE and EI-TP relationships, interaction terms (EI × PS) were created after mean-centering variables. Hierarchical regression revealed no significant interaction for LE ($\beta\_interaction = .04$, $p = .312$) or TP ($\beta\_interaction = .06$, $p = .218$), indicating that the strength of EI's influence was consistent across stress levels. However, simple slope analysis at ±1 SD of PS showed that the positive effect of EI on LE was slightly stronger in low-stress conditions ($\beta = .72$) than high-stress ($\beta = .64$), though not statistically different.

Summary of Hypothesis Testing

- **H1:** EI positively predicts Leadership Effectiveness → **Supported** ($\beta = .66$, $p < .001$).
- **H2:** EI positively predicts Team Performance → **Supported** ($\beta = .28$, $p < .001$ in regression; $\beta = .30$ in SEM).
- **H3:** Leadership Effectiveness mediates the EI-TP relationship → **Supported (partial mediation)**.
- **H4:** Perceived Stress moderates EI effects → **Not supported**.

Common Method Bias and Robustness Checks

Harman's single-factor test extracted 38.7% variance for the first factor (<50%), suggesting minimal common method bias. Robustness was confirmed using partial least squares SEM (PLS-SEM), yielding consistent path coefficients (e.g., EI → LE: $\beta = .68$).

Table 1. Demographic Profile of Participants (N = 354)

Variable	**Category**	**n**	**%**
Gender	Male	182	51.4

ISSN No. 2321-2705 | DOI: 10.51244/IJRSI |Volume XII Issue XI November 2025

	Female	172	48.6
Age	25-34	168	47.5
	36-45	134	37.9
	46-55	52	14.7
Education	Diploma	68	19.2
	Bachelor's	220	62.1
	Master's	66	18.6
Tenure	<5 years	102	28.8
	5-10 years	162	45.8
	>10 years	90	25.4
Sector	Banking	142	40.1
	Manufacturing	106	29.9
	IT	70	19.8
	Finance	36	10.2

Table 2. Descriptive Statistics and Reliability

Variable	**M**	**SD**	**Skewness**	**Kurtosis**	**A**
Emotional Intelligence	3.92	0.61	-0.42	0.31	.89
Leadership Effectiveness	4.01	0.58	-0.68	0.55	.91
Team Performance	3.87	0.64	-0.12	-0.09	.87
Perceived Stress	2.78	0.72	0.35	0.18	.82

Table 3. Correlation Matrix

	1	**2**	**3**	**4**
1. EI	—			
2. LE	.68***	—		
3. TP	.59***	.72***	—	
4. PS	−.31***	−.28***	−.25**	—
Note. ***p < .001, **p < .01				

ISSN No. 2321-2705 | DOI: 10.51244/IJRSI |Volume XII Issue XI November 2025

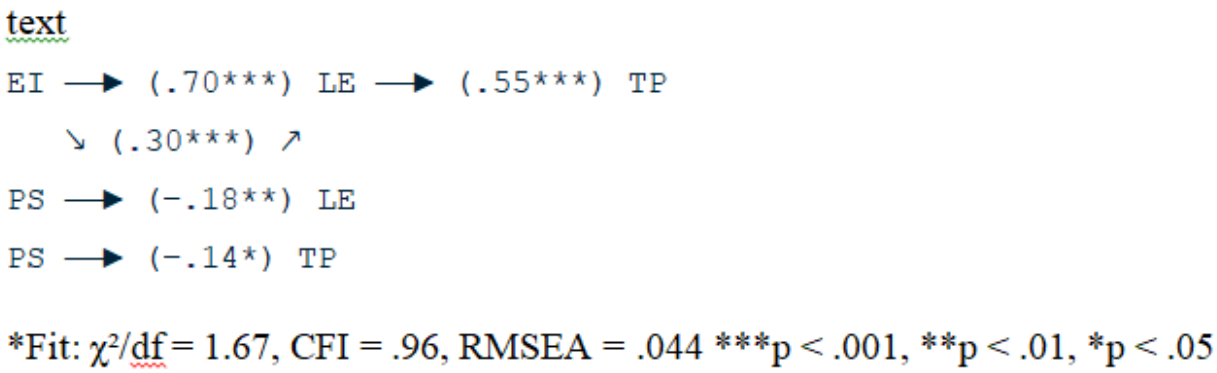
Table 4. Hierarchical Regression Results Dependent: Leadership Effectiveness

Step	Predictor	β	R^2	ΔR^2
1	Demographics		.062**	
2	+ Perceived Stress	−.29***	.142***	.080***
3	+ EI	.66***	.540***	.398***

Dependent: Team Performance

Step	Predictor	β	R^2	ΔR^2
1	Demographics		.058**	
2	+ Perceived Stress	−.25***	.118***	.060***
3	+ EI	.54***	.378***	.260***
4	+ LE	.52***	.592***	.214***
	EI (final)	.28***		

Figure 1. Structural Equation Model (Standardized Coefficients)



DISCUSSION

The findings of this study provide empirical evidence supporting the significant role of emotional intelligence (EI) in enhancing leadership effectiveness (LE) and team performance (TP) within high-stress corporate environments in Lagos State, Nigeria. Consistent with the hypothesized model, EI emerged as a strong predictor of both LE and TP, with LE partially mediating the relationship between EI and TP. However, perceived stress did not moderate these associations, suggesting that EI's benefits may be robust across varying stress levels. These results align with and extend existing literature on EI in organizational contexts, particularly in developing economies where high-stress conditions are prevalent due to economic volatility, infrastructural challenges, and competitive pressures. The discussion below interprets these findings, integrates them with prior research, and explores their theoretical and practical implications, while addressing limitations and avenues for future inquiry.

The positive and significant correlation between EI and LE ($r = .68$, $p < .001$), coupled with the regression results showing EI as the strongest predictor ($\beta = .66$, $p < .001$), underscores EI's pivotal role in fostering effective leadership behaviors. Leaders with high EI are better equipped to manage their emotions, empathize with subordinates, and inspire motivation, which are hallmarks of transformational and transactional leadership

ISSN No. 2321-2705 | DOI: 10.51244/IJRSI |Volume XII Issue XI November 2025

styles measured in this study. This finding resonates with comprehensive reviews indicating that EI enhances leader outcomes such as transformational leadership, cultural intelligence, and reduced stress, enabling leaders to navigate complex roles effectively. In high-stress settings, where emotional regulation is crucial, EI allows leaders to maintain composure and make balanced decisions, thereby improving overall leadership efficacy. For instance, in corporate environments marked by uncertainty, emotionally intelligent leaders mitigate the negative impacts of stressors on their performance, promoting resilience and positive organizational cultures. The mean EI score of 3.92 suggests that participants in Lagos corporations exhibit moderately high EI, which may be adaptive in a context like Nigeria, where leaders often contend with resource constraints and hierarchical structures. This aligns with studies in Nigerian manufacturing organizations, where EI dimensions such as self-awareness and empathy significantly predict leadership performance, contributing to better decision-making and employee relations. However, the relatively high LE mean (4.01) implies that while EI bolsters leadership, other factors like experience or organizational support may also play a role, warranting further exploration.

Similarly, EI's direct positive effect on TP ($\beta = .30$ in SEM, $p < .001$) highlights its contribution to team dynamics, including cohesion, communication, and productivity. Teams benefit from leaders who use EI to foster trust, resolve conflicts, and align emotional norms, leading to enhanced collective outcomes. The correlation ($r = .59$, $p < .001$) supports hybrid literature reviews that link EI to improved team attitudes, reduced burnout, and higher performance through mediators like group cohesiveness. In high-stress corporate sectors, where workload overload and interpersonal tensions are common, EI acts as a buffer, enabling teams to maintain efficacy amid adversity. This is particularly relevant in Lagos, Nigeria's economic hub, where teams face unique stressors such as traffic congestion, power outages, and market competition. Empirical evidence from Nigerian contexts, including banking and manufacturing, corroborates that EI-driven leadership enhances team harmony and performance by promoting interpersonal skills and stress management. The partial mediation by LE (indirect $\beta = .39$, $p < .001$) indicates that while EI directly influences TP, much of its effect is channeled through improved leadership practices. Leaders high in EI exhibit behaviors that inspire and support teams, such as providing individualized consideration and motivational feedback, which in turn boost team outputs. This mediation pathway is consistent with systematic analyses showing that EI fosters effective leadership, which subsequently elevates team satisfaction and productivity, especially during crises like the COVID-19 pandemic. In the Nigerian corporate landscape, this suggests that investing in EI development could yield cascading benefits, from stronger leaders to more resilient teams.

The negative correlations between perceived stress and the key variables ($r = -.25$ to $-.31$, $p < .01$) affirm the detrimental impact of high-stress environments on emotional and performance outcomes. However, the absence of a moderating effect by stress on the EI-LE and EI-TP relationships was unexpected and contrasts with some literature positing that EI's benefits are amplified under duress. Simple slope analyses revealed slightly stronger EI effects in low-stress conditions, but not significantly so, implying that EI may be equally valuable across stress levels in this sample. This could be attributed to the chronic nature of stress in Lagos corporations, where baseline stress is high ($M = 2.78$), potentially normalizing its influence. Alternatively, the self-report measure of stress might not capture acute variations, or EI in this context serves as a general resilience factor rather than a situational moderator. This finding diverges from studies in healthcare crises, where EI's role in leadership and team satisfaction is heightened under extreme stress. Nonetheless, it aligns with broader evidence that EI consistently predicts positive outcomes in diverse organizational settings, including those with inherent stressors. In Nigeria, where occupational stress affects over 60% of workers due to economic and infrastructural issues, EI could be a key tool for sustaining performance without moderation effects, emphasizing its universal applicability.

Theoretically, these results reinforce emotional intelligence theory by demonstrating its incremental validity in predicting leadership and team outcomes beyond demographics and stress. The partial mediation model extends transformational leadership theory, illustrating how EI underpins behaviors that mediate team success. In the African context, particularly Nigeria, this contributes to contingency theories by highlighting EI's role in adapting to high-stress, culturally diverse environments, where empathy and social skills bridge hierarchical gaps. Practically, organizations in Lagos should prioritize EI assessments in recruitment and training, such as through workshops on self-regulation and empathy, to enhance leadership and team resilience. This could

ISSN No. 2321-2705 | DOI: 10.51244/IJRSI |Volume XII Issue XI November 2025

reduce turnover and boost productivity in sectors like banking and manufacturing, where stress is endemic. Policymakers might integrate EI into national leadership development programs to support Nigeria's corporate growth.

Despite these insights, limitations must be acknowledged. The cross-sectional design precludes causal inferences; longitudinal studies could clarify directionality. Self-report measures may introduce common method bias, although Harman's test indicated minimal issues. The sample, while representative of Lagos sectors, may not generalize to rural or non-corporate Nigerian contexts. Additionally, focusing on perceived stress overlooks objective stressors, and the moderate response rate (88%) could reflect selection bias toward more engaged employees.

Future research should employ mixed-methods approaches, incorporating objective performance metrics and multi-rater assessments to validate findings. Longitudinal designs in diverse Nigerian regions could test EI's long-term effects, while comparative studies across African countries might explore cultural moderators. Investigating EI training interventions in high-stress settings would provide actionable evidence for organizational development.

CONCLUSION

This empirical study provides robust evidence that emotional intelligence (EI) significantly enhances leadership effectiveness and team performance in high-stress corporate environments in Lagos State, Nigeria. With EI explaining 54% of variance in leadership effectiveness ($\beta = .66$, $p < .001$) and leadership partially mediating its impact on team performance (indirect $\beta = .39$, $p < .001$), the findings affirm EI as a cornerstone of organizational resilience amid chronic stressors like economic volatility, infrastructural deficits, and competitive pressures. The absence of stress moderation suggests EI operates as a stable asset, enabling leaders to inspire trust, regulate emotions, and foster team cohesion regardless of stress intensity. These results extend global EI research to the Nigerian context, where cultural hierarchies and resource scarcity amplify the need for emotionally attuned leadership. In Lagos—Africa's most dynamic economic hub—EI emerges not merely as a soft skill but as a strategic imperative for sustaining productivity and reducing burnout in banking, manufacturing, and IT sectors. Organizations stand to gain substantially by integrating EI into leadership development, recruitment, and team-building initiatives. Practically, the study calls for targeted EI training programs using validated tools like the WPQei and MLQ to cultivate self-awareness, empathy, and social skills among corporate leaders. Such interventions could lower turnover, enhance decision-making, and strengthen organizational culture in Nigeria's high-pressure workplaces. Policymakers and HR practitioners should prioritize EI metrics in performance evaluations to build more adaptive, high-performing teams. In conclusion, this research underscores that in Lagos' demanding corporate landscape, emotionally intelligent leadership is a powerful driver of excellence. By investing in EI, Nigerian organizations can transform stress into a catalyst for growth, positioning themselves for sustained success in a challenging global economy.

REFERENCES

1. Aderibigbe, J. K., Nwokolo, E. E., & Solomon, O. (2020). Occupational stress among some Nigerian graduate employees: The impact of work experience and education. Cogent Psychology, 7(1), Article 1802948. https://doi.org/10.1080/23311908.2020.1802948
2. Akpa, V. O., Asikhia, O. U., & Okusanya, A. O. (2021). Leadership styles and organizational performance in Nigeria: Qualitative perspective. International Journal of Engineering and Management Research, 11(1), 46–51. https://doi.org/10.31033/ijemr.11.1.7
3. Ayeni, F. (2024). Nigerian brewery industry leaders' perceptions of emotional intelligence as a strategy to improve employee job satisfaction and organizational performance [Doctoral dissertation, Walden University]. ScholarWorks. https://scholarworks.waldenu.edu/dissertations/7539
4. Cohen, S., Kamarck, T., & Mermelstein, R. (1983). A global measure of perceived stress. Journal of Health and Social Behavior, 24(4), 385–396. https://doi.org/10.2307/2136404

ISSN No. 2321-2705 | DOI: 10.51244/IJRSI |Volume XII Issue XI November 2025

5. Cooper, J., Davis, L., & Norton, J. F., Jr. (2023). A literature review of the influence of emotional intelligence (EI) and the Big Five personality traits on leadership effectiveness. Journal of Leadership, Accountability and Ethics, 20(5). https://doi.org/10.33423/jlae.v20i5.6658
6. Coronado-Maldonado, I., & Benítez-Márquez, M.-D. (2023). Emotional intelligence, leadership, and work teams: A hybrid literature review. Heliyon, 9(10), Article e20356. https://doi.org/10.1016/j.heliyon.2023.e20356
7. Eyanuku, J. P. (2023). Emotional intelligence and stress on employees performance in Lagos State banking sector. Lafia Journal of Economics and Management Sciences, 8(1), 265–280.
8. Fashafsheh, I. H., Eqtait, F. A., Hammad, B. M., Al-Hussami, A., & Salameh, B. (2025). The impact of emotional intelligence on work performance among ICU nurses in Palestine: A cross-sectional study. BMC Nursing, 24(1), Article 413. https://doi.org/10.1186/s12912-025-03068-y
9. Gerhardt, K., Bauwens, R., & van Woerkom, M. (2025). Emotional intelligence and leader outcomes: A comprehensive review and roadmap for future inquiry. Human Resource Development Review. Advance online publication. https://doi.org/10.1177/15344843251342689
10. Hoegl, M., & Gemuenden, H. G. (2001). Teamwork quality and the success of innovative projects: A theoretical concept and empirical evidence. Organization Science, 12(4), 435– 449. https://doi.org/10.1287/orsc.12.4.435.10635
11. Korakis, G., & Poulaki, I. (2025). A systematic literature review on the relationship between emotional intelligence and transformational leadership—A critical approach. Businesses, 5(1), Article 4 https://doi.org/10.3390/businesses5010004
12. Makinde, E., Akintunde, O. A., & Ofuani, B. (2025). The role of emotional intelligence indecision making: A study of First Bank of Nigeria. Unilag Journal of Business, 11(1), 28– 43. https://doi.org/10.52968/11206713
13. Maku, B., & Konya, K. T. (2021). Leader emotional intelligence and workplace harmony of plastic manufacturing companies in Rivers State, Nigeria. The Strategic Journal of Business & Change Management, 8(1), 618–630. https://doi.org/10.61426/sjbcm.v8i1.1937
14. Mérida-López, S., & Extremera, N. (2023). Emotional intelligence, leadership, and work teams: A hybrid literature review. Heliyon, 9(10), Article e20356. https://doi.org/10.1016/j.heliyon.2023.e20356
15. Miao, C., Humphrey, R. H., & Qian, S. (2018). A cross-cultural meta-analysis of how leader emotional intelligence influences subordinate task performance and organizational citizenship behavior. Journal of World Business, 53(4), 463–474. https://doi.org/10.1016/j.jwb.2018.01.003
16. Mohd Fauzi, P. S. L. (2025). The influence of emotional intelligence on project leadership effectiveness [Master's thesis, Harrisburg University of Science and Technology]. Digital Commons at Harrisburg University. https://digitalcommons.harrisburgu.edu/dandt/72
17. Nwagwu, U., & Henry, U. C. (2025). Emotional intelligence and leadership effectiveness. Journal of Arts and Sociological Research, 7(6). https://doi.org/10.70382/ajasr.v7i6.017
18. Nwobodo, E. P., Strukcinskiene, B., Razbadauskas, A., Grigoliene, R., & Agostinis-Sobrinho, C. (2023). Stress management in healthcare organizations: The Nigerian context. Healthcare,11(21), Article 2815. https://doi.org/10.3390/healthcare11212815
19. Ogunyemi, A. O., & Ogunyemi, O. O. (2023). Mitigating the impact of cross-culture on project team effectiveness in the Nigerian oil and gas industry: The mediating role of organizational culture and project leadership. Social Sciences & Humanities Open, 8(1), Article 100653. https://doi.org/10.1016/j.ssaho.2023.100653
20. Ogunyemi, O. O. (2021). Emotional intelligence and leadership performance in manufacturing organizations in Lagos State, Nigeria [Unpublished manuscript]. Academia.edu.
21. Ogunyemi, O. O., & Adeyemo, D. A. (2024). The role of emotional intelligence in effective leadership and its impact on team performance: A study of the University of Ibadan, Nigeria. International Journal of Business and Management Review, 12(2). https://doi.org/10.37745/ijbmr.2013
22. Okafor, L. A., & Afolabi, O. A. (2023). Team effectiveness, strategic management and organizational performance of selected banks in Lagos, Nigeria. Nigerian Journal of Social Psychology, 6(1), 1-15. https://www.nigerianjsp.com/index.php/NJSP/article/view/87

ISSN No. 2321-2705 | DOI: 10.51244/IJRSI |Volume XII Issue XI November 2025

23. Oladipo, K. S., Adebakin, M. A., & Ogunrinola, O. I. (2022). The effect of mentoring on employee performance of selected small and medium scale enterprises in Lagos State, Nigeria. American Journal of Humanities and Social Sciences Research, 6(8), 86-98. https://www.ajhssr.com/wp-content/uploads/2022/08/J226088698.pdf
24. Onabote, G. (2021). Emotional intelligence and leadership performance in manufacturing organizations in Lagos State, Nigeria [Doctoral dissertation, Walden University]. Scholar Works. https://scholarworks.waldenu.edu/dissertations/11110
25. Ouchkhi, O., & El Quammah, O. (2025). The impact of emotional intelligence on leadership effectiveness and team performance in multicultural work environments. International Journal of Management & Entrepreneurship Research, 7(10), 845–860. https://doi.org/10.51594/ijmer.v7i10.2086
26. Riyaz, & Prajapati, A. K. (2025). The role of emotional intelligence in leadership effectiveness: A systematic review. In Global perspectives in science & social science: Trends and transformations (pp. 91–99). ISBN: 978-93-89476-94-1. https://doi.org/10.25215/9389476941.07
27. Schäfer, S. K., Kunzmann, U., & Wieck, C. (2024). Training emotional competencies at the workplace: A systematic review and meta-analysis. BMC Psychology, 12(1), Article 599. https://doi.org/10.1186/s40359-024-02198-3
28. Shah, R. (2024). The impact of emotional intelligence on project success and team dynamics in finance organizations [Doctoral dissertation, Harrisburg University of Science and Technology]. Digital Commons at Harrisburg University. https://digitalcommons.harrisburgu.edu/dandt/44
29. Udensi, C. E., & Ufomba, R. E. (2018/2019). Emotional intelligence and interpersonal relations in selected manufacturing firms in Aba, Nigeria. ABSU Journal of Arts, Management, Education, Law and Social Sciences, 8(9), 89–101.