



RESEARCH ARTICLE

Impact of Emotional Intelligence and Employee Engagement on Employee Performance in Non-Profit Organizations: A Systematic Literature Review

Priyanka Sharma^{1*}, Jyoti Chauhan², Sunil Kumar³

Abstract

Non-profit organizations (NPOs) are facing more complex and challenging environments with less resources while their employees' performance is crucial to achieving the organization's missions and maintaining its social impact. NPOs exist to efficiently use human capital, the most valuable resource for which understanding the determinants of employee effectiveness has become a more critical issue. In fact, some of these factors are being identified as key predictors of employee or staff behavior, motivation, commitment, and performance: Emotional Intelligence (EI) and Employee Engagement (EE). The correlation between Emotional Intelligence and Employee Performance (EP), and Employee Engagement and Employee Performance (EP) have been investigated in several different ways, but there is little research that integrates the two aspects into the non-profit sector. To meet this need, systematic literature review (SLR), based on the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) framework, is performed in the present study. Thematic synthesis was used to analyse relevant peer-reviewed literature retrieved from major databases (Scopus, Web of Science, EBSCO, ProQuest and Google Scholar) between 2000 and 2025. The results indicated that there is a positive relationship between Emotional Intelligence and employee performance in that self-awareness, emotional regulation, resilience, communication and interpersonal effectiveness of employees are mediated by Emotional Intelligence. Vigor, dedication, and absorption, which are three dimensions of Employee Engagement are also positively related to individual and organizational performance outcomes. Moreover, the review shows that Emotional Intelligence is one of the important antecedents of Employee Engagement and/or that Employee Engagement can also be a mediator between emotional competencies and positive performance. The study adds to the literature by bringing together disorganized findings and suggesting one framework rather than many, as well as future research directions, and has practical implications for NPO leaders who wish to improve the efficiency of their workers, employee health and well-being, and organizational sustainability.

Keywords: Emotional Intelligence, Employee Engagement, Employee Performance, Non-Profit Organizations, Human Resource Management.

¹Research Scholar, SGT Global Business School, SGT University, Gurugram, India

²Assistant Professor, School of Commerce and Management, SGT University, Gurugram, India

³Associate Professor, SGT Global Business School, SGT University, Gurugram, India

***Corresponding Author:** Priyanka Sharma, Research Scholar, SGT Global Business School, SGT University, Gurugram, India, E-Mail: sharmapriyanka1660@gmail.com

How to cite this article: Sharma, P., Chauhan, J., Kumar, S. (2026). Impact of Emotional Intelligence and Employee Engagement on Employee Performance in Non-Profit Organizations: A Systematic Literature Review. *The Scientific Temper*, 17(6):6464-6472.

Doi: 10.58414/SCIENTIFICTEMPER.2026.17.6.15

Source of support: Nil

Conflict of interest: None.

Introduction

Non-Profit Organizations (NPOs) are essential to the solution of social, economic, educational, environmental and humanitarian problems around the world, and they serve as a foundation for helping communities better prepare for these challenges. While profit-oriented organizations are more concerned with creating value for money, NPOs are more concerned with generating social value and mission-driven goals, rather than value for money (Anheier 2014). Human capital is one of the greatest assets to a non-profit organization, and its effectiveness and sustainability largely depend on the commitment, competence and performance of its employees (Worth, 2020). In an era of more complex social issues, rising expectations from stakeholders and continuous resource limitations, increasing the performance of employees is now a strategic priority for NPOs (Brown, 2015).

Employee performance is the degree of effectiveness with which employees accomplish their job duties and achieve their company's goals (Campbell, 1990). It includes task performance, contextual performance and adaptive performance, which are critical to organizational effectiveness (Pradhan & Jena, 2017). Because of the limited resources that available to NPOs, employees' performance is of special significance in NPOs because the ability of employees to perform their services efficiently and effectively can mean the difference between the success or failure of the organization in fulfilling its work and achieving its goals (Ridder & McCandless, 2010). As such, researchers have been turning more and more to determining what factors affect employee performance and organizational outcomes.

Emotional Intelligence (EI) has become one of the most important determinants of workplace effectiveness among the many factors. Emotional Intelligence is the ability to perceive, understand, regulate and utilize emotions in self and others (Salovey & Mayer, 1990). The idea was later expanded to include the idea of a comprehensive set of emotional competencies by Mayer and Salovey (1997) and later popularized by Goleman (1995, 1998) who argued for the role of EI in workplace success and leadership effectiveness. Generally, people who have high EI also possess the ability to control stress, solve conflicts, communicate with others, and build a productive relationship with others, which are all helpful to job performance (Carmeli, 2003; Wong & Law, 2002).

It is especially true in the NPO sector where staff members are often working with a variety of stakeholders such as donors, beneficiaries, volunteers and members of the community. These relationships demand a high level of empathy, emotional skills and social sensitivity (George, 2000). In addition, emotionally challenging circumstances, such as social crises, community conflicts, and resource scarcity, are common occurrences in NPO work, conditions that make it even more important that staff possess emotional competencies to sustain their motivation and effectiveness (Maslach & Jackson, 2001). Hence, emotional intelligence has become a strategic resource that contributes to individual effectiveness and organizational sustainability.

In addition to emotional intelligence, there is another area which has received much focus, Employee Engagement (EE). The idea was first put forth by Kahn (1990) who conceptualized engagement as the mobilization of the physical, cognitive and emotional resources of employees in their jobs. Subsequently, Schaufeli et al. (2002) defined employee engagement as a positive psychological state that is related to work, and is represented by vigor, dedication, and absorption. Employees who are engaged show signs of enthusiasm, commitment and persistence, which help to increase overall productivity and performance (Bakker & Bal, 2010).

There is a significant amount of literature that has shown a connection between employee engagement and employee performance. Harter et al., 2002 discovered that high performing workers are a big player on retaining customers, customer satisfaction, and organization productivity. Likewise, Saks (2006) suggested that when employees feel supported, they reciprocate that support by becoming more committed and putting in extra effort. Lower intentions to quit, fewer absences, better well-being, and more organizational citizenship behaviors, have also been linked to employee engagement (Rich et al., 2010; Schaufeli et al., 2006). These are especially important for NPOs, where there may be fewer financial rewards than other organizations, but greater commitment from the employees and a sense of mission.

Recent studies have indicated that there is a close relationship between Emotional Intelligence and Employee Engagement. Higher emotional intelligence enables employees to regulate emotions in the workplace, develop positive relationships and handle work-related stress, which creates positive conditions for engagement (Bakker & Demerouti, 2007). Kahn (1990) identified prerequisites for engagement by employees as psychological meaningfulness, security, and availability, which are all related to emotional competencies. Therefore, smart employees are more likely to feel engaged, and as a result, perform better.

There are several theory perspectives that support these relationships. Emotional Intelligence Theory is the theory that describes the relationship among emotional competencies and workplace behavior and performance (Mayer & Salovey, 1997). According to the Engagement Theory developed by Kahn (1990), psychological conditions are the basis for employee engagement. According to the Job Demands–Resources (JD-R) Theory (Bakker & Demerouti, 2007), emotional intelligence is classified as a personal resource which helps to cope with the job demands and facilitates engagement and performance in the workplace. In parallel, Social Exchange Theory suggests that employees will respond positively to positive organizational experiences by engaging more and performing better (Blau, 1964; Saks, 2006). Collectively, these theories provide a comprehensive framework for understanding the interrelationships among emotional intelligence, employee engagement, and employee performance.

Although a great deal of research has been conducted on Emotional Intelligence, Employee Engagement and Employee Performance, there are still some gaps. First, the majority of studies have been undertaken in corporate, healthcare, educational and public sector environments, and less work has been done on Non-Profit Organizations. Second, studies on the topic of Emotional Intelligence and Employee Engagement rarely discuss them together and their combined effect on employee performance.

Third, there is fragmented evidence on how employee engagement mediates the relationship between emotional intelligence and performance. Last but not least, there are no systematic literature reviews that bring together these relationships specifically in the context of NPOs.

The purpose of this study is to conduct Systematic Literature Review (SLR) to analyze the relationship between Emotional Intelligence and Employee Engagement with employee performance in Non-Profit Organizations. The study aims to build an integrated understanding of these relationships based on existing theoretical and empirical knowledge, to highlight the emerging themes, and to suggest future research directions based on the existing knowledge. The results are likely to provide both theoretical and practical insights into the value of fostering employee engagement and emotional competencies to improve the effectiveness of the non-profit workforce and to improve the sustainability of non-profit organizations.

Methodology

The Systematic Literature Review (SLR) method is used to explore the connections between Emotional Intelligence (EI), Employee Engagement (EE) and Employee Performance (EP) in Non-Profit Organizations (NPOs). The review was performed using the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA 2020) guidelines, which offer a structured and transparent manner in which to identify, screen, select and synthesize relevant literature (Page et al., 2021). PRISMA is commonly used in management and organizational research (Snyder, 2019) to strengthen systematic reviews in terms of rigor, reliability and reproducibility.

Literature Review and Synthesis

Emotional Intelligence and Employee Performance

Due to the important implications of emotional intelligence for employee performance and organisational results, EI has emerged as one of the most influential concepts in organizational behavior research. The original definition of Emotional Intelligence by Salovey and Mayer (1990) stated that EI is the ability to perceive, understand, regulate and utilize emotions effectively. Later, Mayer and Salovey (1997) developed the concept by introducing the Ability Model of Emotional Intelligence, and Goleman (1995, 1998) further elaborated on the construct by highlighting the abilities of self-awareness, self-regulation, motivation, empathy, and social skills. The research evidence is clear that Emotional Intelligence has positive effects on employees' performance. Emotionally intelligent workers are more flexible, resilient to emotions, effective communicators and problem-solvers, thereby contributing positively to organizational productivity (Carmeli, 2003). Likewise, Wong and Law (2002) discovered that workers with high emotional intelligence

tend to work more efficiently as they can control their own emotions and have better interpersonal relationships. Emotional intelligence helps employees deal effectively with challenges in the workplace, resolve conflicts and stay psychologically healthy, leading to better employment outcomes (George, 2000). Emotional intelligence has also been found to be a factor of task performance and contextual performance. Task performance behaviors are behaviors directly related to job tasks, while contextual performance behaviors are behaviors that are discretionary and are related to cooperating with others, working with others, and organizational citizenship behaviors (Campbell, 1990). Strong emotional competencies are associated with higher levels of both types of performance from employees, as they have greater interpersonal effectiveness and social awareness (Podsakoff et al., 2000). Reducing stress and burnout is another important aspect of emotional intelligence. For individuals working in emotionally stressful settings, psychological stress is often a common occurrence that can have a negative impact on their performance. EI is a personal resource that helps people manage their emotions and adjust better to the stress in their workplace (Maslach et al., 2001). Thus, emotionally intelligent workers tend to be more resilient and to perform better in the long term. Emotional intelligence is clearly a relevant concept in organizations that have service or mission based functions. Many NPO employees are in regular contact with their beneficiaries, donors, volunteers and community stakeholders. Empathy, emotional regulation and relationship management skills are strongly linked to emotional intelligence (Goleman, 1998) and are essential in these interactions. Thus, emotional intelligence can be considered as a key human resource asset to improve the efficiency of employees and organizational efficiency. In general the literature indicates that when it comes to the contribution of EI to employee performance, this happens in a number of ways such as communication skills, emotional regulation, interpersonal effectiveness, leadership ability, and resilience. The results indicate that emotional intelligence is a basic skill that should be developed in the behavior of employees and the success of organizations.

Employee Engagement and Employee Performance

Employee Engagement (EE) has become one of the most popular measures of employee performance and organizational effectiveness that is studied. Kahn (1990) defined engagement as the psychological expenditure of self in physical, cognitive, and emotional ways into work roles. When employees are engaged they are completely absorbed in their work and show more commitment and enthusiasm. Following the work of Kahn, Schaufeli et al. (2002) defined work engagement as a positive and satisfying work state, exhibiting vigor, dedication, and

<i>PRISMA Stage</i>	<i>Description</i>	<i>Procedure Applied in the Study</i>	<i>Outcome</i>
Identification	Identification of relevant studies from multiple sources	Literature was searched from Scopus, Web of Science, EBSCO Host, ProQuest, ScienceDirect, and Google Scholar using keywords such as «Emotional Intelligence,» «Employee Engagement,» «Employee Performance,» «NPOs,» «NGOs,» and «Third Sector Organizations.»	1,335 records identified
Duplicate Removal	Elimination of repeated records	Duplicate articles retrieved from multiple databases were removed using reference management software.	265 duplicates removed
Screening	Initial review of titles and abstracts	Titles and abstracts were screened to assess relevance to Emotional Intelligence, Employee Engagement, Employee Performance, and Non-Profit Organizations.	1,070 articles screened
Exclusion	Removal of irrelevant studies	Studies not related to the research topic, conference abstracts, editorials, non-English publications, and inaccessible full texts were excluded.	842 records excluded
Eligibility Assessment	Full-text evaluation of selected articles	Remaining articles were reviewed against predefined inclusion and exclusion criteria.	228 full-text articles assessed
Eligibility Exclusion	Removal of studies not meeting criteria	Studies lacking methodological rigor, theoretical relevance, or direct focus on EI, EE, and EP were excluded.	151 articles excluded
Inclusion	Final selection of studies for review	High-quality empirical and conceptual studies were retained for thematic analysis and synthesis.	77 studies included
Data Extraction	Collection of study information	Data extracted included authors, publication year, country, theory, methodology, sample characteristics, variables, and key findings.	Database for synthesis developed
Thematic Analysis	Classification and synthesis of studies	Studies were categorized into four themes: (1) EI and EP, (2) EE and EP, (3) EI and EE, and (4) Human Capital Challenges in NPOs.	Themes and patterns identified
Synthesis and Reporting	Interpretation and presentation of findings	Findings were synthesized to identify theoretical contributions, managerial implications, research gaps, and future research directions.	Integrated framework developed

absorption. Vigor is a sign of energy and persistence, dedication is a sign of enthusiasm and importance, and absorption is a sign of a total focus in work activities. These two dimensions reflect an employee's engagement and psychological commitment to the job. There is a very rich empirical literature relating employee engagement to employee performance. Harter et al. (2002) provided proof that engagement has a positive relationship to productivity, customer satisfaction, profitability, and employee retention. In the same way, Rich et al. (2010) reported that those employees who are engaged do better than those who are not engaged consistently because they put in more effort and have a higher level of commitment to the goals of the organization. It is also reported in literature that employee engagement has an impact on individual and organizational outcomes. From the personal side, engagement positively impacts on job satisfaction, motivation, well-being and career success (Bakker & Bal, 2010). Engagement at the organizational level correlates with lower intent to leave the organization, higher organizational effectiveness, greater organizational service quality and lower absenteeism (Saks, 2006). According to Social Exchange Theory, the relationship between engagement and performance can be explained in a theoretical context. Blau (1964) suggests that if employees feel that they are not treated unfairly and their work is valued, they will feel compelled to reciprocate by putting

in extra effort and commitment. Saks (2006) suggested that employee engagement is a type of reciprocation that occurs when employees react positively to good organizational behavior. The JD-R theory also helps to understand how engagement is a means of explaining contribution to performance. Bakker and Demerouti (2007) suggested that job resources (including support, autonomy, recognition and development opportunities) can be a catalyst for employee motivation and engagement. The engaged employees then perform better, as they have more "psychological energy" and commitment. Employee engagement is unique in the world of non-profits, as financial incentives may not be the most effective motivator. Organizational missions that are well internalized by employees are more likely to facilitate their engagement and discretionary effort to accomplish social goals. The strategy has therefore enabled NPOs to increase the effectiveness of their staff despite the constraints of limited resources, and engagement is a key component of this.

Emotional Intelligence and Employee Engagement

We will investigate how emotional intelligence and employee engagement are connected. While much research has focused on Emotional Intelligence and Employee Engagement individually, a strong relationship between the constructs has been established and is gaining attention for

further study. The way employees perceive their experience at work, how they handle emotional demands at work, and their psychological well-being at work, are all influenced by emotional intelligence, which in turn impacts employee engagement. The Engagement Theory of Kahn (1990) states that engagement is based on psychological meaningfulness, safety, and availability. Individuals who have high levels of EI are able to develop positive relationships with others, control workplace stress and remain emotionally stable. These skills help to reinforce the psychological conditions for engagement. Emotional intelligence is also viewed as a personal resource in the Job Demands–Resources (JD-R) Theory that helps to engage in a job (Bakker & Demerouti, 2007). Personal resources support employee's coping and motivation to work. Emotional intelligence helps employees manage their emotions more effectively, stay positive and resilient in challenging situations, boosting engagement. Empirical studies have repeatedly shown a link between emotional intelligence and engagement. Customers who are more emotionally intelligent have higher levels of organisational commitment and involvement in work activities (Carmeli, 2003). In the same way, Schaufeli and Bakker (2004) noted that emotionally competent employees have greater vigor, dedication, and absorption. Emotional intelligence also plays a role in engagement, by facilitating social interaction. I am more likely to build meaningful relationships at work if I have empathy and communication skills. If I am empathetic and have communication skills, I can do meaningful relationships at work, which leads to feeling psychologically safe and 'felt'. These good experiences foster more participation and involvement in the workplace. It is also seen from leadership studies that emotional intelligence plays an important role in enhancing engagement. The emotionally intelligent leader establishes a supportive climate of trust, recognition, and effective communication (George, 2000). In these settings, the employees are motivated, active and engaged in activities of the organization. All in all, the literature indicates that emotional intelligence is one of the key indicators or predictors of employee engagement. Emotional intelligence improves the emotional skills of employees and their experience in the workplace, leading to more positive results for ongoing engagement and performance.

Human Capital Challenges in Non-Profit Organizations

Non-Profit Organizations function in an environment whose circumstances differ from that of business. They are not primarily interested in making monetary profits (but) in generating social value and human capital is key to organisational effectiveness (Anheier, 2014). NPOs are often subject to resource limitations, reliance on donors, lack of staff capacity, and expectations of stakeholders that are also too high (Worth, 2020). Employee retention is one of the biggest issues that NPOs face. Many non-profits have limited

resources, and so do not have to pay competitive wages or offer career growth. As a result, employees' commitment and engagement are critical in the retention of qualified people and maintaining the continuity of the organisation (Brown, 2015). A second challenge is emotional labor/burnout. People in social service, healthcare, humanitarian, and community development roles may find themselves in emotionally challenging situations that can result in psychological exhaustion (Maslach et al., 2001). Burnout can have a detrimental impact on employee health, engagement, and productivity, ultimately posing a risk to organizational effectiveness. Based on literature, the relationship between Emotional Intelligence and coping with these challenges is that Emotional Intelligence can help employees to manage their emotions, be more resilient and effective in their relationships with other people. Those employees with high emotional competence have greater ability to control the stress of the work place and protect their psychological health (Goleman, 1998). Thus, emotional intelligence can be seen as a safeguard and resource for employee sustainability in the context of challenging organizational settings. In the same way, Employee Engagement is critical in tackling human capital issues in NPOs. Employees who are engaged are more likely to be committed to the organization, have fewer intentions to turn down the job, and be more likely to contribute to the organization beyond the scope of their jobs (Saks, 2006). NPOs can improve employee retention, service delivery, and mission achievement by engaging employees.

Synthesis of the Literature

From the review of the literature, it appears that there are some significant trends. Firstly, Emotional Intelligence always shows positive correlation with Employee Performance in different organizational settings. Secondly, Employee Engagement is found to be a robust predictor of individual and organizational outcomes. Third, Emotional Intelligence seems to be an antecedent of Employee Engagement because it helps to increase the emotional resources that employees bring to the workplace and their experiences there. Last, Emotional Intelligence can be a mediating variable that links between Employee Engagement and Employee Performance. All these findings together help establish an integrated Employee Engagement–Employee Performance framework in which Employee Engagement is boosted by Emotional Intelligence. This connection is more applicable in the context of NPOs, where employee dedication, emotional strength, and alignment in mission are key to the success of the organization. While there are many studies that corroborate these relationships, relatively few studies have studied the combined influence of Emotional Intelligence and Employee Engagement in the non-profit sector, revealing an important opportunity for future research.

Research Gap and Future Research Agenda

Research Gap

The review of the existing literature makes clear that the research interests of Emotional Intelligence (EI), Employee Engagement (EE), and Employee Performance (EP) have been given significant attention over the last 30 years. Many studies have consistently shown that emotional intelligence has a positive impact on employee emotion regulation, stress management and interpersonal relationship building skills, which are directly related to job performance (Mayer & Salovey, 1997; Goleman, 1998; Carmeli, 2003). In the same way, employee engagement is considered as one of the vital factors that affect the effectiveness of the organization, which in turn affects the productivity, commitment, retention and well-being of employees (Kahn, 1990; Schaufeli et al., 2002; Harter et al., 2002). Regardless of these progressions, however, there are still a number of important knowledge gaps.

- The majority of research on the relationship between Emotional Intelligence and Employee Performance reported in the literature were conducted in companies, healthcare, educational, banking and public sector organizations (Wong & Law, 2002; George, 2000). Although Non-Profit Organizations (NPOs) have unique operational features and rely predominantly on human capital to realize their mission, comparatively little attention has been paid to NPOs in the literature (Anheier, 2014). Given the specific context of NPOs, with limited resources, emotional labour, pressures from stakeholders and a focus on social value, the relationship between emotional intelligence, engagement and performance (Worth, 2020) can be affected. Therefore, the results of profit-seeking institutions cannot be extrapolated to NPO environments.
- The literature is still scattered as there is a tendency to study both Emotional Intelligence and Employee Engagement independently as antecedents of Employee Performance (Saks, 2006; Rich et al., 2010). There have been many studies that have documented the direct relationship between emotional intelligence and performance and the direct relationship of engagement and performance, but fewer studies have examined the integrated relationship between EI and engagement and performance. This division restricts the ability of forming a holistic view of the link between emotional competencies and improved workplace performance.
- There are not much empirical evidences on the mediation of Employee Engagement in the relationship between Emotional Intelligence and Employee Performance. While the theoretical underpinning of emotional intelligence and engagement (e.g., Kahn's Engagement

Theory) and engagement and performance (e.g., the Job Demands–Resources (JD-R) Theory) suggest that emotional intelligence can contribute to engagement and in turn to performance, existing empirical evidence is limited (Bakker & Demerouti, 2007). Current research has largely been on direct effects and has not explored the underlying processes.

- The review points to some methodological flaws in the literature. Most of the studies use a cross sectional design of research that makes it hard to make causal relationships between Emotional Intelligence, Employee Engagement and Employee Performance (Christian et al., 2011). Additionally, the inconsistencies in findings are due to the differences in the measures used and the context in which they are applied. Little has been done to use the longitudinal and mixed-method approaches, especially in the non-profit sector.
- Systematic literature review research is limited with regard to specifically linking evidence of Emotional Intelligence, Employee Engagement and Employee Performance in NPOs. Previous reviews are mostly on a single construct basis and do not address the combined effect of constructs in mission driven organizations. Hence, a complete synthesis is necessary to integrate the fragmented findings, detect emerging themes and to set research priorities.

The present review, an integrated approach is proposed where Emotional Intelligence acts as a key personal resource to improve Employee Engagement, which in turn positively affects Employee Performance, based on these gaps. This framework will serve as a starting point for the empirical study and theory building in the non-profit sector.

Future Research Agenda

The review identifies several promising directions for future research.

Future Studies

The current frameworks do not address volunteer involvement and volunteer performance, this should be explored in the future as the role of the volunteer is critical in most NPOs. A knowledge of the effect of emotional intelligence on the commitment and effectiveness of volunteers is a significant area of future research. Therefore, the study should be done in a sector specific manner focusing on Non-Profit Organizations, Charitable Institutions, NGOs and Social Enterprises. Specific studies of the role of emotional intelligence and engagement in mission-driven settings with high levels of intrinsic motivation and social impact would be helpful to understanding.

Mediating Mechanisms

The researchers should empirically analyze the Mediating Variable in between Emotional Intelligence and Employee

Performance, which is Employee Engagement. These would offer greater understanding of how emotional competencies relate to work outcomes in the workplace, and enhance theoretical accounts of employee action.

This is referred to as a “longitudinal” research design because most of the current research studies use cross sectional methodologies. Longitudinal studies are needed in future research to investigate the developmental nature of emotional intelligence, engagement, and performance. Longitudinal information would afford much more conclusive evidence of causation and the stability of these relationships.

Leadership and Organizational Context

Future research could look at how leadership styles, organizational culture and perceived organizational support relate to the relationship between Emotional Intelligence, Employee Engagement, and Employee Performance. The nature of these relationships may be positive or negative and are influenced by other factors such as transformational leadership and psychological safety.

Cross-Cultural and Comparative Studies

Most studies conducted are in a specific geographic region and are cross-cultural and comparative studies. Comparative analyses between the various cultural and institutional contexts would increase the generalizability of the results, and contribute to creating a rich picture of NPO workforces.

Digital Work and Hybrid Environments

Digital technologies are being used more often and hybrid working is having a potential impact in new ways for NPOs. Further research is needed to comprehend the link between EI and EE to EP in virtual and technology mediated work settings.

Proposed Research Framework

Synthesis of existing literature suggests the following proposed research framework for future empirical investigation:



It suggests Employee Engagement is an antecedent of the EI and Employee Engagement as a mediating variable between ECS and Performance Outcomes. Moreover, the effect of these relationships might be moderated by contextual factors like leadership, organizational culture and perceived organizational support. The aim of the agenda is to provide a direction for future research and to provide Non-Profit Organizations with an opportunity to help to further theory and practice in the field of Emotional Intelligence and Employee Engagement.

Discussion and Implications

Discussion

The review underscores the importance of the use of Emotional Intelligence (EI) and Employee Engagement (EE) in improving Employee Performance (EP) in Non-Profit Organizations (NPOs). The results suggest that individuals with higher emotional intelligence have greater emotional regulation, communication, conflict resolution, adaptability, and stress management abilities which in turn help them to work effectively in demanding and emotionally demanding work situations (Mayer & Salovey, 1997; Goleman, 1998). Emotional intelligence is especially relevant in NPOs where staff members, who often work with beneficiaries, donors, volunteers, and community stakeholders, will need to build positive relationships, deal with interpersonal issues and provide high quality services (George, 2000; Boyatzis et al., 2000). A second key factor of employee performance was Employee Engagement. An engaged employee shows more vitality, commitment, and absorption in his work, which leads to improved productivity and organizational commitment and discretionary effort (Schaufeli et al., 2002; Saks, 2006). The review also shows that Emotional Intelligence and Employee Engagement have a strong positive correlation meaning that employees with a high level of emotional intelligence have the ability to deal with challenges better, maintain positive work attitudes and are psychologically identifying with their work (Kahn, 1990; George, 2000). Drawing on the Job Demands–Resources (JD-R) Theory, Emotional Intelligence can be seen as an important personal resource that assists employees in coping with job demands, thus promoting employee engagement and performance (Bakker & Demerouti, 2007). Besides, Employee Engagement seems to be a mediator between Emotional Intelligence and Employee Performance, with employees who are more emotionally intelligent being more likely to have positive and rewarding experiences at work that will generate better employee performance (Kahn, 1990; Saks, 2006). Emotionally intelligent and engaged staff are strategic assets to the NPO that can play a significant role in contributing to NPO effectiveness, sustainability and mission (Goleman, 1998; Bakker & Demerouti, 2007).

Theoretical and Managerial Implications

The results of this review greatly add to the organizational behavior and human resource management literature in extensions of various theories. The study confirms Emotional Intelligence theory, because in mission organizations the employees are often faced with emotional labor situations and difficulties with stakeholders (Mayer & Salovey, 1997; Goleman, 1998). The results also resonate with Kahn’s Engagement Theory which posits that emotionally intelligent workers are more apt to feel psychologically meaningful, secure and available, which in turn leads to greater levels of

engagement (Kahn, 1990). Moreover, the review adds to the Job Demands-Resources (JD-R) theory by highlighting the potential of Emotional Intelligence as a personal resource that could boost employee engagement and performance (Bakker & Demerouti, 2007). As per Social Exchange Theory, EI positive employee relationships in the workplace foster higher workplace commitment and exchange of employee behaviors (Saks, 2006; Blau, 1964). From a managerial point of view, NPOs need to incorporate Emotional Intelligence into NPO recruitment, selection and employee development to enhance the effectiveness of the workplace (Goleman, 1998). Organizations should pursue training that improves the individual's self-awareness, empathy, communication and emotional regulation skills (Boyatzis et al., 2000). Furthermore, meaningful work, employee recognition, employee participation, and supportive leadership can improve employee commitment and performance (Kahn, 1990; George, 2000). Ensuring employee health and preventing burnout is also important to the maintenance of workforce resilience and organizational effectiveness (Maslach et al., 2001).

Conclusion

The relationships between Emotional Intelligence (EI), Employee Engagement (EE) and Employee Performance (EP) in the context of Non-Profit Organizations (NPOs) was examined in this systematic literature review. The review integrates the evidence drawn from the existing theoretical and empirical studies to give a holistic overview of the relationship between the emotional competencies and employee engagement in relation to workforce effectiveness and organizational success. The results show that Emotional Intelligence (EI) and Employee Engagement (EE) are two of the most important predictors of Employee Performance and are significant factors to improving the sustainability of organizations in environments that focus on the mission.

The review shows that Emotional Intelligence has a positive impact on employee performance by enhancing their understanding of themselves, controlling their emotions, adapting to their surroundings, communicating and working with others (Mayer & Salovey, 1997; Goleman, 1998; Carmeli, 2003). Strong emotional competencies enable employees to better manage stress in the workplace, engage in complex social interactions, and build productive relationships with coworkers and stakeholders, all of which can lead to increased performance (George, 2000). The results support the idea that emotional intelligence is an important personal asset which can help employees function effectively in various organizational settings.

Of course, the review also validates the positive impact of Employee Engagement on Employee Performance. Vigor, dedication and absorption are positively associated

with higher productivity, commitment, and discretionary effort from employees (Schaufeli et al., 2002; Harter et al., 2002). Engagement fosters positive relationship between employee and job and motivates employees to do more than what is required of their job, leading to better individual and organizational results (Saks, 2006; Rich et al., 2010). In NPOs where the commitment of employee towards social missions is becoming a key factor for organizational success, engagement becomes an important asset of the organization.

One of the major findings of this review was the interconnectedness of the concept of Emotional Intelligence and Employee Engagement. The results indicate that there is a connection between EE and higher engagement, as employees with EE appear to have the emotional resources to deal with the challenges they face in the workplace and enjoy better experiences on the job (Bakker & Demerouti, 2007). In addition, the literature suggests that Employee Engagement can be a mediator between Emotional Intelligence and Employee Performance, which highlights its significant role in understanding employees' behaviors and workplace effectiveness.

The review also underscores the distinctive human capital dilemmas of Non-Profit Organizations, such as a lack of resources, emotional labor, employee retention problems, and growing stakeholder aspirations (Anheier, 2014; Worth, 2020). In these circumstances, the skills of Emotional Intelligence and Employee Engagement become critical strategic capabilities that enable organizational sustainability, resilience, and mission achievement. Therefore, NPO leaders should focus on programs that will help improve their employees' emotional competencies, increase employee engagement and help to support employee wellness.

Although, there is a surge in the research interest of the field of Emotional Intelligence, Employee Engagement and Employee Performance, the review points out some gaps in the literature. Specific studies of NPOs are still limited and empirical studies that explore the integrated relationships between these constructs are not numerous. Longitudinal designs are recommended, as are the examination of mediating and moderating processes and the examination of these processes in other cultural and organizational settings.

Finally, findings from this review that was synthesized indicate that Emotional Intelligence and Employee Engagement are two basic factors that shape Employee Performance in Non-Profit Organizations. Investing in emotionally intelligent leadership, in the engagement of human resources, in supportive organizational environments, enable NPOs to increase the effectiveness of its employees, improve its service delivery and increase its capacity to long-term social impact. The proposed framework could be a

starting point for future research, and it also gives practical directions for companies wishing to optimise the benefits that can be gained from their human capital.

References

- Anheier, H. K. (2014). *Nonprofit organizations: Theory, management, policy* (2nd ed.). Routledge.
- Bakker, A. B., & Bal, M. P. (2010). Weekly work engagement and performance: A study among starting teachers. *Journal of Occupational and Organizational Psychology*, 83(1), 189–206. <https://doi.org/10.1348/096317909X402596>
- Bakker, A. B., & Demerouti, E. (2007). The job demands–resources model: State of the art. *Journal of Managerial Psychology*, 22(3), 309–328. <https://doi.org/10.1108/02683940710733115>
- Blau, P. M. (1964). *Exchange and power in social life*. Wiley.
- Boyatzis, R. E., Goleman, D., & Rhee, K. (2000). Clustering competence in emotional intelligence: Insights from the Emotional Competence Inventory (ECI). In R. Bar-On & J. D. A. Parker (Eds.), *Handbook of emotional intelligence* (pp. 343–362). Jossey-Bass.
- Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative Research in Psychology*, 3(2), 77–101. <https://doi.org/10.1191/1478088706qp0630a>
- Brown, W. A. (2015). Mission attachment and satisfaction as factors in employee retention. *Nonprofit Management and Leadership*, 26(1), 5–21. <https://doi.org/10.1002/nml.21152>
- Campbell, J. P. (1990). Modeling the performance prediction problem in industrial and organizational psychology. In M. D. Dunnette & L. M. Hough (Eds.), *Handbook of industrial and organizational psychology* (Vol. 1, pp. 687–732). Consulting Psychologists Press.
- Carmeli, A. (2003). The relationship between emotional intelligence and work attitudes, behavior, and outcomes. *Journal of Managerial Psychology*, 18(8), 788–813. <https://doi.org/10.1108/02683940310511881>
- Christian, M. S., Garza, A. S., & Slaughter, J. E. (2011). Work engagement: A quantitative review and test of its relations with task and contextual performance. *Personnel Psychology*, 64(1), 89–136. <https://doi.org/10.1111/j.1744-6570.2010.01203.x>
- George, J. M. (2000). Emotions and leadership: The role of emotional intelligence. *Human Relations*, 53(8), 1027–1055. <https://doi.org/10.1177/0018726700538001>
- Goleman, D. (1995). *Emotional intelligence: Why it can matter more than IQ*. Bantam Books.
- Goleman, D. (1998). *Working with emotional intelligence*. Bantam Books.
- Harter, J. K., Schmidt, F. L., & Hayes, T. L. (2002). Business-unit-level relationship between employee satisfaction, employee engagement, and business outcomes: A meta-analysis. *Journal of Applied Psychology*, 87(2), 268–279. <https://doi.org/10.1037/0021-9010.87.2.268>
- Kahn, W. A. (1990). Psychological conditions of personal engagement and disengagement at work. *Academy of Management Journal*, 33(4), 692–724. <https://doi.org/10.2307/256287>
- Maslach, C., Schaufeli, W. B., & Leiter, M. P. (2001). Job burnout. *Annual Review of Psychology*, 52(1), 397–422. <https://doi.org/10.1146/annurev.psych.52.1.397>
- Mayer, J. D., & Salovey, P. (1997). What is emotional intelligence? In P. Salovey & D. Sluyter (Eds.), *Emotional development and emotional intelligence: Educational implications* (pp. 3–31). Basic Books.
- Page, M. J., McKenzie, J. E., Bossuyt, P. M., Boutron, I., Hoffmann, T. C., Mulrow, C. D., Shamseer, L., Tetzlaff, J. M., Akl, E. A., Brennan, S. E., Chou, R., Glanville, J., Grimshaw, J. M., Hróbjartsson, A., Lalu, M. M., Li, T., Loder, E. W., Mayo-Wilson, E., McDonald, S., ... Moher, D. (2021). The PRISMA 2020 statement: An updated guideline for reporting systematic reviews. *BMJ*, 372, n71. <https://doi.org/10.1136/bmj.n71>
- Podsakoff, P. M., MacKenzie, S. B., Paine, J. B., & Bachrach, D. G. (2000). Organizational citizenship behaviors: A critical review of the theoretical and empirical literature and suggestions for future research. *Journal of Management*, 26(3), 513–563. <https://doi.org/10.1177/014920630002600307>
- Pradhan, R. K., & Jena, L. K. (2017). Employee performance at workplace: Conceptual model and empirical validation. *Business Perspectives and Research*, 5(1), 69–85. <https://doi.org/10.1177/2278533716671630>
- Rich, B. L., Lepine, J. A., & Crawford, E. R. (2010). Job engagement: Antecedents and effects on job performance. *Academy of Management Journal*, 53(3), 617–635. <https://doi.org/10.5465/amj.2010.51468988>
- Ridder, H. G., & McCandless, A. (2010). Influences on voluntary turnover in nonprofit organizations: Examining the role of human resource management. *Nonprofit and Voluntary Sector Quarterly*, 39(1), 107–127. <https://doi.org/10.1177/0899764008328181>
- Saks, A. M. (2006). Antecedents and consequences of employee engagement. *Journal of Managerial Psychology*, 21(7), 600–619. <https://doi.org/10.1108/02683940610690169>
- Salovey, P., & Mayer, J. D. (1990). Emotional intelligence. *Imagination, Cognition and Personality*, 9(3), 185–211. <https://doi.org/10.2190/DUGG-P24E-52WK-6CDG>
- Schaufeli, W. B., & Bakker, A. B. (2004). Job demands, job resources, and their relationship with burnout and engagement: A multi-sample study. *Journal of Organizational Behavior*, 25(3), 293–315. <https://doi.org/10.1002/job.248>
- Schaufeli, W. B., Bakker, A. B., & Salanova, M. (2006). The measurement of work engagement with a short questionnaire: A cross-national study. *Educational and Psychological Measurement*, 66(4), 701–716. <https://doi.org/10.1177/0013164405282471>
- Schaufeli, W. B., Salanova, M., González-Romá, V., & Bakker, A. B. (2002). The measurement of engagement and burnout: A two-sample confirmatory factor analytic approach. *Journal of Happiness Studies*, 3(1), 71–92. <https://doi.org/10.1023/A:1015630930326>
- Snyder, H. (2019). Literature review as a research methodology: An overview and guidelines. *Journal of Business Research*, 104, 333–339. <https://doi.org/10.1016/j.jbusres.2019.07.039>
- Tranfield, D., Denyer, D., & Smart, P. (2003). Towards a methodology for developing evidence-informed management knowledge by means of systematic review. *British Journal of Management*, 14(3), 207–222. <https://doi.org/10.1111/1467-8551.00375>
- Wong, C. S., & Law, K. S. (2002). The effects of leader and follower emotional intelligence on performance and attitude: An exploratory study. *The Leadership Quarterly*, 13(3), 243–274. [https://doi.org/10.1016/S1048-9843\(02\)00099-1](https://doi.org/10.1016/S1048-9843(02)00099-1)
- Worth, M. J. (2020). *Nonprofit management: Principles and practice* (6th ed.). Sage Publications.