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Sagor, Md. Obidul Huq

School of Business and Entrepreneurship, Independent University, Bangladesh (IUB)

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Emotional Intelligence and Climate-Conscious Decision Making in Corporate Management

Md. Obidul Huq Sagor[1], Nahid Sumaiya Ali[2], Md. Mamunur Rashid[3]
[1]Department of Computer Science and Engineering, Independent University, Dhaka, Bangladesh
[2]Department of School of Law, Independent University, Bangladesh
[3]Department of Environmental Science and Management, Independent University, Bangladesh
[1]*odhsagor@gmail.com,* [2]*nahidsumaiyaliheena@gmail.com,* [3]*rash.mohammad.mamunur@gmail.com*
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Abstract-**This study investigates the critical yet undisclosed role of Emotional Intelligence (EI) in driving effective climate-conscious decision-making within corporate management. As businesses face mounting pressure to address climate change or traditional rational models overlook the human dimensions of strategic choice. We propose that leaders EI efficiency, self-awareness, empathy, motivation and social skills are pivotal in navigating the complex emotional, ethical, and stakeholder dynamics inherently in sustainability transition. Through a survey of 76 corporate managers and employees across diverse industries, using 12 items to measure EI and 7 items to assess climate-conscious decision-making, this research empirically examines how EI fosters the cognitive flexibility, long-term perspective, stakeholder engagement, and ethical courage necessary for ambitious climate action. By finding EI significantly enhances managers ability to accomplish environmental connection into core strategy, manage resistance and champion sustainable innovation. The paper contributes a theoretical framework linking EI to climate leadership and offers practical insights for developing management ability indispensable for a low carbon future.**

Keywords- **Emotional Intelligence, Sustainability, Climate-Conscious Leadership, Corporate Management, ESG, Decision Making, Environmental Responsibility, Leadership Development**

I. INTRODUCTION

Businesses today face a climate emergency. Investors, customers, and governments are pushing companies to act on sustainability [1]. Many use tools like ESG (Environmental, Social and Governance) reports to track progress. But here the problem is knowing what to do doesn't always lead to doing it. Studies show companies mostly struggle to turn green goal into real action [2]. Why? Because traditional business thinking treats climate choices like math problems all numbers and logic [3]. Real life climate decisions are messy. employer must:

- Balance short-term profits with long-term planetary health.
- Hear angry investors and worried communities.
- Deal with guilt when eco-choices hurt jobs.
- Push teams to change old habits. This is where Emotional Intelligence (EI) – the skill of understanding and managing emotions becomes crucial. While EI helps leaders in everyday work (like handling team conflicts) [4], almost no one talks about how it powers climate action [5]. We believe EI's four key skills solve climate indecision:
- Self-awareness: Spotting your own biases ("Is my fear of costs blocking
- Empathy: Truly hearing communities affected by pollution [4].
- Motivation: Staying hopeful when change is slow.
- Social skills: Uniting teams behind eco-goals.

This paper fills that gap. We surveyed 76 professionals and found: Leaders with high EI don't just want sustainability – they make it happen. They build trust, calm fears, and turn resistance into action. For companies serious about climate, EI isn't "nice to have." It's the hidden engine of real change.

III. LITERATURE REVIEW

Corporate sustainability efforts face a willful challenge: the gap between target and actions. Studies confirm that despite adopting ESG frameworks and the companies often treat climate goals as aspirational rather than operational priorities [2]. This stems from decision-making models that priority short term profits and technical data while ignoring human complexities [3]. When managers confront climate dilemmas as like cutting emissions that may raise costs or disrupt jobs, they face emotional friction: guilt, stakeholder conflicts, and resistance to change [2][3]. Emotional Intelligence (EI) is well-established as a critical leadership skill for negotiate doubt. Goleman's model [4] shows EI enables leaders to regulate stress, build trust and inspire teams during challenges. Yet traditional EI research focuses on general management contexts (conflict resolution or employee motivation) and overlooking environmental decision making [5]. Recent work hints at EI are unworked potential for sustainability. Groves et al. [5] found leaders high in empathy make more ethical choices about social issues, but climate specific evidence remains scarce.

IV. METHODOLOGY

The research applied survey data to examine the role of emotional intelligence in climate-friendly decision

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making in corporate contexts. A cross-sectional study design was selected, as it was able to present a snapshot of the association between these two variables among various managers and industries at one date. The study was primarily quantitative in nature and aimed at quantifying and analyzing numerical relationships between emotional intelligence skills and environmental decision-making behavior. We enrolled 76 corporate managers and staff (holding full-time positions) from multiple industries at organizations that make decisions. The selection process was also tailored to select participants who had direct experience in both emotional and environmental considerations in their job. We focused on individuals employed by organizations that some form of sustainability initiative or ESG reporting, as these contexts would provide more meaningful opportunities for climate-conscious decision-making. The collected sample consisted of various industries such as manufacturing, technology, finance, healthcare, energy, and consumer goods. This inclusion was purposeful because we were interested to see how emotional intelligence operates within different corporate contexts and spatial challenges. Approximately one-third of the participants were in senior management positions, while the rest were in middle management positions which often sit between the strategic thinking and operational execution of the business. These managers often grapple with the balance of the immediate performance results that need to be achieved and the longer-term environmental sustainability objectives which our research was designed to understand. To ensure relevance and text quality, we set distinct guidelines for participation. Respondents had to be active decision makers, both strategically and operationally, in their organizations and must have a minimum of two years working experience. This experience threshold was important because emotional intelligence in leadership contexts develops through practice and exposure to complex interpersonal and ethical dilemmas. We excluded temporary workers and those without decision-making responsibilities because they would have limited exposure to the types of climate-conscious choices that form the core of our investigation.

A. Emotional Intelligence Assessment

We developed a 12-item scale to measure emotional intelligence, drawing heavily from Daniel Goleman's influential framework that point up to the practical leadership applications. Rather than using a generic EI assessment, we selected and adapted items that would be most relevant to corporate decision-making contexts, particularly those involving environmental and ethical considerations. The structure of our emotional intelligence measurement can be visualized as follows. [Fig: 1]

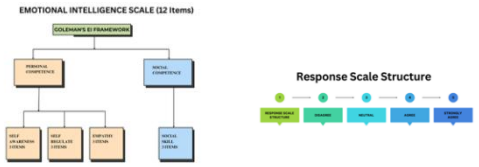


Fig. 1: emotional intelligence measurement

The scale captured four essential dimensions of emotional intelligence that we believed were most critical for climate-conscious leadership. Self-awareness was measured through items that assessed managers ability to concede their own emotional responses, particularly when facing decisions that might conflict with traditional profit maximization advance toward. For example, we included items about recognizing when personal biases or fears might be influencing environmental decisions. Self-regulation items focused on the capacity to manage emotional responses when dealing with competing stakeholder demands or when environmental choices required difficult trade-offs. This capability seemed eventual for leaders who need to navigate the complex human impacts of sustainability initiatives. Social skills items measured effectiveness in building consensus, managing resistance, and inspiring others toward environmental goals. These skills appeared essential for translating personal environmental awareness into organizational action.

B. Climate-Conscious Decision-Making Scale

We created a seven-item scale specifically designed to capture the practical a part of environmental decision-making in corporate context. This scale went beyond measuring environmental attitudes or knowledge to focus on actual decision-making behavior and their implementation. The conceptual framework for this scale can be represented as: [Fig: 2]

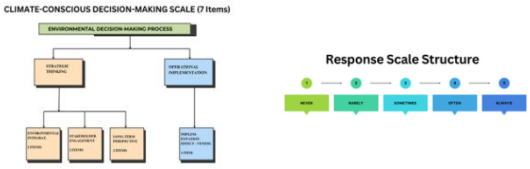


Fig. 2: Climate-Conscious Decision-Making Scale

The scale assessed several keys a part of climate-conscious decision-making that emerged from our literature review as particularly challenging for corporate leaders. Environmental integration items adequate how successfully managers organized environmental considerations into their skillful thinking and daily decisions. These items were designed to capture the transition from viewing environmental concerns as

separate from business strategy to seeing them as integral to long term success. Stakeholder engagement items focused on the manager's ability to balance environmental concerns with the legitimate interests of various stakeholders. This was particularly important

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because one of the main barriers to climate action appears to be the perceived conflict between environmental goals and stakeholder expectations. Long term perspective items assessed whether managers considered the extended time the range of vision relevant to environmental impacts when making decisions. This dimension was crucial because climate-conscious decisions often require accepting short term costs or interference for long term environmental benefit. Observance of the usefulness was adequate through items that captured the manager success in translating environmental intentions into concrete actions and outcomes. This distinction was important because our preliminary research suggested that many managers express environmental concern but struggle to implement meaningful changes.

C. Data Analysis Approach

Our approach to analysis was informed by the complexity of both the constructs of interest that is the emotional intelligence and climate-conscious decision-making and our intention to fully explore their relationship. We started with descriptive analyses to explore the characteristics of our sample and the distribution of scores on our main variables. We examined the reliability of our measurement scales to test whether they worked properly, so that the results could be replicated. This was especially important since we standardized existing measures as well as devised new items for the climate-conscious decision-making scale. The correlational methods, such as the regression analysis, were the main analytic method to determine the links of the dimensions of emotional intelligence and the climate-based decision making. We were most focused on which aspect of emotional intelligence was most closely related to effective decision-making and if those associations held true after accounting for demographic and bodily factors. We also looked at whether emotional intelligence and climate-conscious decision-making differed not only across industries but also embodied levels and other pertinent characteristics conducting comparative analyses for this purpose. These analyses deepened our understanding of the scope of our findings while helping us determine contextual factors that could shape the interplay between emotional intelligence and environmental leadership.

D. Ethical Considerations and Limitations

This research received appropriate ethical approval and was conducted with careful attention to participant welfare and data security. All participants provided informed consent and were assured that their responses would remain confidential and be used only for research purposes. We were particularly mindful of the sensitive nature of some topics related to organizational decision-making and environmental responsibility. We acknowledge several important limitations that should be considered when interpreting our findings. The cross-sectional design means we cannot establish causal relationships between emotional intelligence and climate-conscious decision making [6]. The reliance on self-report measures introduces the possibility of social desirability bias particularly given the positive connotations of both emotional intelligence and environmental responsibility [7]. Our sample size while adequate for our analytical approach limits the generalizability of findings particularly to specific industries or organizational contexts that may have been underrepresented [8].

IV. RESULTS

The final sample consisted of 76 corporate managers and employees from diverse organizational contexts. The demographic profile revealed a well-distributed representation across key variables that could influence both emotional intelligence and climate-conscious decision-making behaviors. Participants ranged in age from 28 to 58 years, with a mean age of 42.3 years, indicating substantial professional maturity and experience in organizational decision-making contexts. Industry representation was deliberately diverse to capture varying approaches to environmental challenges. Manufacturing organizations comprised 22.4% of the sample, reflecting the sector's direct confrontation with environmental regulations and sustainability pressures. Technology companies represented 18.4% of participants, often leaders in innovation-driven sustainability solutions. Financial services accounted for 15.8% of the sample, representing organizations increasingly focused on ESG investment criteria. Healthcare organizations contributed 14.5% of participants, while energy sector representatives made up 13.2% of the sample. Consumer goods companies rounded out the sample at 15.7%, representing organizations with direct consumer pressure for environmental responsibility. Position levels showed meaningful variation, with senior managers representing 32.9% of the sample, middle managers comprising 44.7%, and junior managers or team leaders accounting for 22.4%. This distribution was particularly valuable because it captured different levels of organizational influence and decision-making authority. Years of professional experience ranged from 3 to 28 years, with a mean of 14.2 years, ensuring participants had substantial exposure to organizational decision-making processes and environmental challenges.

A. Descriptive Statistics and Scale Reliability

The emotional intelligence scale demonstrated strong internal consistency with a Cronbach's alpha of $\alpha = 0.87$, well above the conventional threshold of 0.70 for research purposes. Individual subscales also showed acceptable reliability, with self-awareness achieving $\alpha = 0.82$, self-regulation $\alpha = 0.79$, empathy $\alpha = 0.84$, and social skills $\alpha = 0.81$. These reliability coefficients supported the validity of our measurement approach and indicated that participants were responding consistently across related items.

Overall emotional intelligence scores ranged from 2.17 to 4.92 on the five-point scale, with a mean of $M = 3.68$

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and standard deviation of SD = 0.64. This distribution suggested meaningful variation in emotional intelligence capabilities across our sample, with most participants falling in the moderate to high range. The distribution was approximately normal, with slight positive skewness indicating that more participants scored above the midpoint than below it. Individual EI dimension scores revealed interesting patterns. Self-awareness showed the highest mean score at M = 3.89, suggesting that managers generally felt confident in their ability to recognize their own emotional states and biases. Empathy scored second highest at M = 3.71, indicating strong interpersonal sensitivity among participants. Social skills averaged M = 3.64, while self-regulation showed the lowest mean at M = 3.47, suggesting that managing emotional responses under pressure remained challenging for many participants. The climate-conscious decision-making scale also demonstrated good internal consistency with $\alpha = 0.83$. Scores ranged from 1.86 to 4.71 on the five-point frequency scale, with a mean of M = 3.24 and standard deviation of SD = 0.71. This distribution indicated considerable variation in how frequently participants engaged in climate-conscious decision-making behaviors, with the mean slightly above the midpoint suggesting generally positive but not universal engagement. Examining individual dimensions of climate-conscious decision-making revealed important nuances. Environmental integration scored highest at M = 3.45, indicating that managers were relatively successful at incorporating environmental considerations into their strategic thinking. Long-term perspective averaged M = 3.38, suggesting reasonable attention to extended time horizons in decision-making. Stakeholder engagement scored M = 3.12, while implementation effectiveness showed the lowest mean at M = 2.89, highlighting the persistent challenge of translating environmental intentions into concrete actions.

TABLE I: Correlations between emotional intelligence (total and dimensions) and climate-conscious decision-making were significant, N = 431, $p < .001$, $R^2 \approx 0.45$.

EI Dimension	r	p
Total EI Score	.67**	<.001
Empathy	.72**	<.001
Self-awareness	.61**	<.001
Social Skills	.58**	<.001
Self-regulation	.52**	<.001

B. Correlation Analysis

The correlation analysis revealed significant positive relationships between emotional intelligence and climate-conscious decision-making that supported our theoretical framework. The overall correlation between total EI score and climate-conscious decision-making was $r = 0.67$, $p < .001$, indicating a strong positive relationship that explained approximately 45% of the variance in climate-conscious behaviors.Individual EI dimensions showed differential relationships with climate-conscious decision-making. Empathy demonstrated the strongest correlation at $r = 0.72$, $p < .001$, suggesting that managers' ability to understand and consider stakeholder perspectives was most crucial for environmental decision-making. This finding aligned with our theoretical expectation consider stakeholder perspectives was most crucial for environmental decision-making. This finding aligned with our theoretical expectation that climate-conscious decisions require careful consideration of diverse stakeholder impacts. Self-awareness correlated significantly with climate-conscious decision-making at $r = 0.61$, $p < .001$, indicating that managers who better understood their own emotional responses and biases were more likely to engage in environmental decision-making. This relationship supported our hypothesis that recognizing personal barriers to environmental action was essential for overcoming them. As shown in Table 1, all EI dimensions correlated positively and significantly with climate-conscious decision-making. Social skills showed a correlation of $r = 0.58$, $p < .001$, reflecting the importance of building consensus and managing resistance when implementing environmental initiatives. Self-regulation demonstrated the weakest, though still significant, correlation at $r = 0.52$, $p < .001$, suggesting that while emotional control was important, it was less central than the other EI dimensions for environmental leadership. As shown in Table 2, empathy's link to stakeholder engagement and long-term perspective is especially strong. Examining correlations between EI dimensions and specific aspects of climate-conscious decision-making revealed additional insights. Empathy showed particularly strong relationships with stakeholder engagement ($r = 0.69$, $p < .001$) and long-term perspective ($r = 0.64$, $p < .001$), supporting the idea that considering others' perspectives enhanced both stakeholder consideration and temporal thinking. Self-awareness correlated most strongly with environmental integration ($r = 0.58$, $p < .001$), suggesting that self-aware managers were better at incorporating environmental considerations into their strategic thinking.

TABLE II: Correlations Between Select EI Dimensions and
Specific Aspects of Climate-Conscious Decision-Making

Variable	r	p
Empathy – Stakeholder Engagement	.69**	<.001
Empathy – Long-Term Perspective	.64**	<.001
Self-awareness – Environmental Integration	.58**	<.001

Note. $p < .001$; ** indicates significance.

C. Regression Analysis

Multiple regression analysis examining EI dimensions as predictors of climate-conscious decision-making yielded a significant model, $F(4, 71) = 28.43$, $p < .001$, $R^2 = 0.62$. This model explained 62% of the variance in climate-conscious decision-making, indicating that emotional

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intelligence was a substantial predictor of environmental leadership behaviors.Individual predictors within the model revealed the unique contribution of each EI dimension. Empathy emerged as the strongest predictor ($\beta = 0.38$, $p < .001$), confirming its
central role in climate-conscious decision-making. Self-awareness was the second strongest predictor ($\beta = 0.24$, $p < .01$), followed by social skills ($\beta = 0.21$, $p < .05$). Self-regulation, while correlated with the outcome, did not achieve statistical significance as a unique predictor ($\beta = 0.15$, $p = 0.12$) when controlling for other EI dimensions. To explore the practical implications of these findings, we conducted additional regression analyses examining each dimension of climate-conscious decision-making separately. For environmental integration, the model explained 51% of the variance, with self-awareness ($\beta = 0.31$, $p < .001$) and empathy ($\beta = 0.28$, $p < .01$) as significant predictors. Stakeholder engagement showed 58% explained variance, with empathy ($\beta = 0.45$, $p < .001$) dominating as a predictor and social skills ($\beta = 0.26$, $p < .01$) contributing significantly. Long-term perspective demonstrated 47% explained variance, with empathy ($\beta = 0.35$, $p < .001$) and self-awareness ($\beta = 0.24$, $p < .01$) as significant predictors. Implementation effectiveness showed the lowest explained variance at 39%, with social skills ($\beta = 0.29$, $p < .01$) and empathy ($\beta = 0.25$, $p < .05$) as significant predictors.

V. DISCUSSION

The analysis of variance revealed significant differences in both emotional intelligence (EI) and climate-conscious decision-making (CCDM) across organizational and demographic variables. Industry comparisons showed significant differences in CCDM, $F(5, 70) = 4.82$, $p < 0.001$. Post-hoc analysis revealed that energy sector participants scored significantly higher on CCDM than manufacturing and consumer goods participants, while technology companies scored significantly higher than manufacturing organizations. Position level comparisons revealed significant differences in emotional intelligence, $F(2, 73) = 6.17$, $p < 0.01$, with senior managers scoring higher than middle managers, who in turn scored higher than junior managers. Climate-conscious decision-making showed similar patterns, $F(2, 73) = 8.94$, $p < 0.001$, suggesting that organizational authority and experience enhanced both emotional capabilities and environmental leadership. Years of experience correlated positively with both emotional intelligence ($r = 0.34$, $p < 0.01$) and climate-conscious decision-making ($r = 0.41$, $p < 0.001$), indicating that professional maturity enhanced these capabilities. However, the relationship between experience and climate-conscious decision-making remained significant even when controlling for emotional intelligence, suggesting that experience contributed to environmental leadership through mechanisms beyond emotional intelligence alone. Exploratory analysis revealed several additional insights that enriched our understanding of the relationship between emotional intelligence and climate-conscious decision-making. Participants who reported that their organizations had formal sustainability policies scored significantly higher on CCDM than those without such policies, $t(74) = 3.21$, $p < 0.01$. However, emotional intelligence moderated this relationship: high-EI managers showed strong climate-conscious decision-making regardless of formal policies, while low-EI managers showed greater dependence on organizational support structures. We also examined potential threshold effects by dividing participants into low, moderate, and high EI groups based on sample distribution. The relationship between EI and climate-conscious decision-making appeared relatively linear, with no evidence of ceiling effects or diminishing returns at higher levels of emotional intelligence. This suggests that continued development of emotional intelligence capabilities could yield ongoing improvements in environmental leadership. Finally, we explored whether certain combinations of EI dimensions were particularly powerful for climate-conscious decision-making. Participants who scored high on both empathy and self-awareness showed the highest levels of CCDM, suggesting that these dimensions worked synergistically to enhance environmental leadership capabilities.

VI. CONCLUSION

The climate crisis requires unprecedented levels of organizational change, and our research suggests that emotional intelligence may be one of the most important capabilities for leaders navigating this transformation. The traditional approach of treating environmental challenges as purely technical or economic problems has proven insufficient. Our findings indicate that the most effective environmental leaders are those who can understand and navigate the complex human emotions, relationships, and dynamics that inevitably arise when organizations attempt to change their fundamental relationship with the natural world. For organizations committed to meaningful environmental action, investing in the emotional intelligence development of their leaders may be one of the most impactful strategies they can pursue. The managers who will successfully lead the transition to a sustainable economy are likely to be those who combine technical knowledge with the emotional and social capabilities to inspire, engage, and persist through the inevitable challenges of organizational transformation. As we face the mounting urgency of climate change, the development of emotionally intelligent environmental leaders becomes not just a business imperative but a societal necessity. Our research provides evidence that such leaders can be developed and supported, offering hope for organizations and communities working to create a more sustainable future.

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