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Editorial

Volume 12, Issue 01 – 2025

Journal of the Institute of Human Resource Advancement (IHRA)

University of Colombo, Sri Lanka

It is with great pride and sense of responsibility that I present Volume 12, Issue 01 (2025) of the *Journal of the Institute of Human Resource Advancement*, a peer-reviewed, multidisciplinary publication committed to promoting scholarly excellence in the fields of Social Sciences, Humanities, Human Resource Development, and Lifelong Learning.

This issue holds particular significance, as it coincides with a historic milestone, the 50th Anniversary of the Institute of Human Resource Advancement (IHRA). Established in 1975, IHRA has grown from its pioneering roots in workers' education to become a national center of excellence for applied education, adult learning, and community-driven research in Sri Lanka. For five decades, we have remained steadfast in our mission to expand access to higher education and empower individuals across professional, social, and geographic boundaries. The golden jubilee year of IHRA is not merely a celebration of longevity, it is a tribute to our evolution, resilience, and impact. Over the years, the Institute has introduced innovative academic programs. Through close engagement with industry, government, and civil society, IHRA has advanced inclusive development and contributed meaningfully to the knowledge economy of Sri Lanka.

This commemorative issue reflects the intellectual diversity and academic rigor that have become the hallmarks of our journal. As we reflect on our journey, we are also mindful of the work ahead, particularly in the face of global challenges such as climate change, digital disruption, inequality, and the evolving nature of work. To mark this significant occasion, a series of anniversary events will be held throughout 2025, including academic

symposia, exhibitions, and alumni gatherings. These celebrations will honor our past, recognize our present achievements, and set the course for our next phase of institutional development.

As Editor-in-Chief, I wish to express my heartfelt appreciation to the authors, reviewers, editorial board members, and readers whose continued dedication has sustained and strengthened this journal. Your contributions uphold the values of scholarly integrity, critical inquiry, and academic freedom.

Let us embrace this moment of reflection as we continue to shape the future of higher education and human development.

Thank you.

Professor W.S. Chandrasekara

Editor-in-Chief

Director, Institute of Human Resource Advancement

University of Colombo, Sri Lanka

Professor W.S. Chandrasekara
Director, Institute of Human Resource Advancement
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Fifty Years of Educational Empowerment: The Future of IHRA

The year 2025 marks a momentous occasion for the Institute of Human Resource Advancement (IHRA) of the University of Colombo, as we proudly celebrate five decades of transformative education. Established in 1975, IHRA has evolved from a pioneering initiative rooted in workers' education into Sri Lanka's leading university-level institute dedicated to enhancing the competencies, leadership, and career potential of working professionals. This golden jubilee not only commemorates our past but also sets the tone for our future in a rapidly changing global knowledge economy.

Origins in the Workers' Education Movement

IHRA's journey began in 1971, during a period of rising social reform. The Workers' Education Movement, launched with the mission to democratize access to education, enrolled 22 worker-students in a Special Degree in Development Studies in 1973. Simultaneously, 160 others joined the Worker Education Course, marking the beginning of a new era in higher education for the working class. By 1975, 58 students had progressed to the Bachelor of Development Studies program. Their graduation in 1979 was more than symbolic. It was a statement of social mobility through education, achieved while balancing the responsibilities of employment and family.

Visionary Founders: Professor Osman Jayarathna and Dr. Kumari Jayawardhana

Two individuals were central to this transformative mission: the late Professor Osman Jayarathna and Dr. Kumari Jayawardhana. Professor Jayarathna's vision of inclusive, labor-centered education helped institutionalize the concept of worker empowerment through structured academic programs. Dr. Jayawardhana, a pioneering scholar in trade unionism and labor rights. In a fitting celebration, IHRA commemorated Dr. Jayawardhana's 94th birthday on June 16, 2025, by renaming the Institute auditorium in her honor, a gesture that recognizes her lifetime of commitment to labor justice and gender equity.

The Institutionalization of Worker-Centered Education

Recognizing the growing impact of this movement, the University of Colombo formally established the Institute of Workers' Education (IWE) in 1975. Evening

lectures allowed students to work by day and learn by night, a model of flexibility and accessibility that quickly gained national attention. In 1979, IWE was granted legal status under Ordinance No. 11, strengthening its academic and administrative foundation.

A New Identity: The Birth of IHRA

In 2006, IWE was renamed the Institute of Human Resource Advancement, signaling a broader vision that encompassed professional development, postgraduate education, and leadership cultivation. This was more than a rebranding, it was a strategic shift that aligned the institute with Sri Lanka's evolving workforce and global trends.

Advancing Academic Offerings and Lifelong Learning

IHRA's programs reflect a strong emphasis on lifelong learning, designed to support professionals at all stages of their careers. In 2007, the Postgraduate Diploma in Human Resource Advancement was launched in English, setting new standards for HR education in Sri Lanka. This was followed by the introduction of the Service Management (SMgt) stream in 2011. Delivered in both Sinhala and English, these programs are particularly popular among mid-career professionals, offering flexibility, credibility, and real-world relevance.

Leadership, Innovation, and Global Outlook

IHRA is committed to developing leaders who think critically, act ethically, and drive positive change. Programs are designed to cultivate entrepreneurial thinking, adaptive problem-solving, and strategic leadership. With a faculty composed of experienced academics and practitioners, IHRA bridges the gap between theory and practice across disciplines like labor relations, economics, public administration, and education.

In recent years, the institute has expanded its global outlook initiating international collaborations, enhancing digital learning environments, and aligning curricula with global competency frameworks. Its pedagogical innovations include hybrid classrooms, online learning platforms, and interactive teaching tools that accommodate the schedules of working learners.

The IHRA Impact

IHRA graduates are now found in every sector, university lecturers, public administrators, private-sector leaders, military officers, union organizers, and grassroots change-makers. Their achievements validate the institute's enduring commitment to social mobility, professional development, and inclusive

education. Successive governments have recognized IHRA's model as a benchmark for vocational, adult, and community-based education. Its integration of academic quality with socio-economic responsiveness continues to shape national policy and discourse.

The 50th Anniversary Celebration

On June 16, 2025, IHRA celebrated its Golden Jubilee with a landmark ceremony at its premises. The event was graced by distinguished alumni, scholars, government representatives, international partners, and the broader IHRA community. Central to the celebration was the honoring of Dr. Kumari Jayawardhana, a living symbol of the institute's foundational mission. The event included academic forums, exhibitions, and the launch of commemorative publications, highlighting IHRA's journey from a small worker education unit to a nationally respected institute of higher learning.

Looking Ahead: Vision 2030 and Beyond

As IHRA charts its course for the next decade, the focus will be on expanding postgraduate and research programs, strengthening digital infrastructure, establishing international academic pathways, promoting interdisciplinary research and innovation and enhancing access for underrepresented communities. IHRA's Vision 2030 wish to position the institute as a regional hub for applied research, human resource development, and workforce transformation, aligned with the Sustainable Development Goals (SDGs) and national development priorities.

From its humble origins in a labor empowerment movement to its current stature as a leading educational institution, IHRA has redefined what it means to educate the workforce. With 50 years of service behind it and a future full of promise ahead, IHRA continues to stand tall as a pioneer of empowerment, equity, and excellence in higher education.

Impact of Store Atmosphere on Impulse Shopping Behavior of Supermarket Customers in the Colombo district

Jayasinghe G.D.H.A.¹ Samarakoon S.M.A.K.² and Dasanayaka K.G.N.M.³

ABSTRACT

Supermarkets are experiencing a rapid growth in this competitive world. Due to the homogeneity of the merchandises and intensified rivalry, supermarkets are more focused on their store atmosphere in order to differentiate on each other. Supermarkets subtly guide customers toward impulse purchasing by creating its store atmosphere and thereby building shoppers' mind set to purchase whatever the products spontaneously. Therefore, this particular research endeavors on determining how the store atmosphere of supermarkets affects customers' impulse shopping behavior with special reference to the Colombo District. By following the deductive approach, the researchers distributed a self-administered questionnaire to a sample of 385 customers by convenience sampling technique where the research method falls under the quantitative method. The 'store atmosphere' served as the independent variable and that has been evaluated by four sub variables; 'store layout, store ambiance, store employees, and in-store advertisement.' The findings of the research concluded that store layout, store ambiance, and in-store advertisements had a positive impact on the impulse shopping behavior of supermarket customers. However, the variable 'store employees' had a negative impact on the impulse shopping behavior of supermarket customers. The retailers can gain more insights on the store atmosphere that triggers the impulse shopping behavior. Comparative analysis between various retail settings shall be beneficial in determining the context-specific influences on impulse buying.

Keywords: Store atmosphere, Impulse shopping behavior, Store layout, Store ambiance, Store employees, In-store advertisements.

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Introduction

The supermarket industry is enormously competitive, and vendors are constantly considering extending and remodeling their stores. These tactics are driven by the industry's ongoing changes as well as the requirement for a better store atmosphere (also known as atmospherics; in which the customers' feelings are being created based on the specific design and, layout of the retail space) to uphold client pleasure. Customers used to be primarily interested in the features, benefits, and qualities of products. They often seek out more perks inside the shopping environment in addition to the traditional shopping experience (Mfundi et al., 2021). Retailers themselves recognize that store's environment has a critical role in both consumer satisfaction and market distinctiveness. The retailers therefore produce and reinforce pleasant sentiments and a great experience while designing their store atmospheres (Esbjerg et al., 2012). Notwithstanding, shopping is not only an activity for purchasing; shopping is a recreational activity and choosing a specific shop depends on the value of "entertainment" (Woodside et al., 1992). Customers' propensity to visit the supermarket will decrease if a store has a bad store atmosphere, which will lower their likelihood of making a purchase. (El Hedhli et al., 2013).

The improvement of store environment and thereby boosting the impulse buying behavior are the outstanding attempts on increasing the rivalry among retailers (Gooneratne & Wimalasiri, 2021). The impulse purchasing is a concept that rooted in the consumer's inner psychology to purchase whatever the products spontaneously. Supermarket retailers must consider on recognizing their consumer preferences and factors that affect impulse purchasing behavior of the consumers who are in modern trade outlets (Gooneratne & Wimalasiri, 2021). The physical stimuli set inside the store can influence a customer's purchasing experience and can induce impulse purchasing behavior which is also affected by demographic, cultural, individual, and environmental factors. Therefore, supermarket retailers should focus on identifying and improving in-store

factors to attract customer's impulse purchases in the supermarkets (Hu & Jasper, 2006a). Nevertheless, overall, store arrangement, public display signs, showcases, promotional campaigns, doorway, retail floor planning and store surroundings (fragrance, color, lighting), and conduct of store employees tend to stimulate consumers' impulse purchases (Gooneratne & Wimalasiri, 2021). Individuals prefer to spend their time at stores where they can have a pleasant experience. They desire convenient locations and times for their purchases. Therefore, people select explicitly to a supermarket rather than a local Mom & Pop store (Ragel & Nirushan, 2017). In Sri Lanka, Colombo is the most outstanding financial district and the commercial hub (Jayanetti et al., 2017). The supermarkets are increasingly being chosen by patrons in the Colombo district for their shopping needs but the exploration of those insights is uneven. But the proper awareness of store atmosphere and the factors affecting store atmosphere to build the impulse buying are the timely effective strategies for the supermarket retailers in order to be edge in the competitive world. Since, the surroundings or environment of a place is an essential component influencing a customer's behavior (Kumar & Aggarwal, 2021), this research has been structured on determining the impact of Store Atmosphere on Impulse Shopping Behavior of Supermarket Customers in the Colombo district. The store atmosphere has been measured by four factors stemming as 'store layout, store atmosphere, store employees and in-store atmosphere.' Though, the store atmosphere is an essential feature that grab the consumers towards the retail stores especially the supermarkets, the supermarkets having a lack of orderliness and pleasantness make customers dissatisfied thus leaving the business place. Existing literature have been focused on which elements of retail environment are influenced customers' attitudes towards purchasing and service quality (Hu & Jasper, 2006a). Due to the uneven exploration on how store atmosphere affects on impulse buying, this particular research will contribute to this empirical gap by exploring the factors building store atmosphere and how these relate to customers' impulse shopping behavior in the supermarkets of Colombo District.

Research Questions

1. What is the impact of store layout on supermarket consumers' impulse shopping behavior?
2. What is the impact of store ambiance on supermarket consumers' impulse shopping behavior?
3. What is the impact of store employees on supermarket consumers' impulse shopping behavior?
4. What is the impact of in-store advertisements on supermarket consumers' impulse shopping behavior?

Research Objectives

1. To ascertain the impact of store layout on supermarket consumers' impulse shopping behavior.
2. To ascertain the impact of store ambiance on supermarket consumers' impulse shopping behavior.
3. To ascertain the determine the impact of store employees on supermarket consumers' impulse shopping behavior.
4. To ascertain the impact of in-store advertisements on supermarket consumers' impulse shopping behavior.

Literature Review

Store Atmosphere

Good retail environments are defined by their ability to draw people in through atmosphere, design, and customer service (Dokcen et al., 2021). Even if a store is not involved in the retail sector, its atmosphere or look still has an impact on customers (Madhuhansi, 2017). The feelings elicited can also affect consumers' satisfaction with their purchases and their future behavior in the store (Lusch, 2007). The in-store environment deserves careful consideration since it influences customers' decisions

greatly (Madhuhansi, 2017). Discovered that interior atmospheric elements including color, light, and music significantly affect consumer behavior. These elements also have an impact on customers' spontaneous, interior-stimulated impulse purchases (Ali et al., 2017). In this research, store atmosphere has been measured by four main sub-variables as store layout, store ambiance, store employees, and in-store advertisements.

Store Layout

The good store layout communicates the values of supermarkets, improving comfort, inventory capacity, product quality, price, and display as well as search efficiency (Dokcen et al., 2021). The interior store environment is made up of several visible and invisible components to the customers such as features, layout, facilities, and product display (Terblanche, 2018). An efficient structure would enable manufacturers to showcase their goods effectively, facilitate customer shopping, and increase productivity (Makal & Pangemanan, 2014). The customers frequently have mental schematics of the store's layout. The locations of certain products, categories, and check-outs are all marked on the well-organized and unambiguous mental maps. This information can positively impact shoppers' perceptions of shopping convenience and raise the likelihood of impulse purchases (Zentes et al., 2007). Customers view a convenient and easy-to-find product layout as a favorable shopping experience, and they frequently search for a logical store layout with enough signage (Ragel & Nirushan, 2017). Customers are easily persuaded to make a purchase, particularly whether they are waiting in line or passing through to check out. Overall, the store's design succeeds in not only making customers feel good about themselves and creating a welcoming environment that encourages impulse purchases, but also in setting it apart from rivals (Jiang & Liu, 2014). Therefore, the first hypothesis has been generated as below.

H1 : There is an impact of store layout on supermarket consumers' impulse shopping behavior.

Store Ambiance

Store ambiance is largely driven by the color, lighting, music, and scent as per the literature. Color is a critical and omnipresent aspect of retail environments, significantly influencing customer perception, emotions, mood, and the overall identity of a store. Retailers strategically employ color, often drawing on color psychology, to shape their brand image and encourage in-store purchases (Mfundu et al., 2021; Lovelock & Wirtz, 2011; Zentes et al., 2007). Specific colors can evoke distinct responses: white and blue are associated with tranquility and cleanliness, while red, orange, and yellow trigger strong emotions, warmth, and activity (Solomon, 2006). Beyond immediate emotional responses, color can also trigger memories and specific feelings (Dash, 2018).

The impact of color extends to customers' arousal and pleasant sentiments, the duration of their stay in the store, and their overall perception of the retail space (Ballantine et al., 2010). Complementing the use of color, appropriate store lighting is also crucial. It enables customers to clearly view merchandise and highlights key selling elements (Ragel & Nirushan, 2017). Effective lighting, such as product spotlights and soft ambient lighting, can create an enjoyable and playful atmosphere, enhancing customer pleasure during their in-store experience (Ragel & Nirushan, 2017). In essence, both color and lighting are powerful tools retailers utilize to strategically influence customer behavior and enhance the retail experience. Since the 1930s, background music has been a global retail strategy to extend customer stays (Mfundu et al., 2021). Relaxing music encourages longer stays and larger purchases (Biswas et al., 2019), while favorite music increases comfort and spending. Conversely, loud, fast, or uncomfortable music shortens visits. Music's arousal potential boosts enjoyment and shopper happiness (Mohan et al., 2013). Slow music promotes longer shopping, while fast music excites purchasing (Zentes et al., 2007). However, excessive volume can disturb customers and hinder purchases (Turley & Chebat, 2002). Lighting profoundly impacts consumer behavior, affecting brain activity and influencing conscious/subconscious

reactions (Horska & Bercik, 2014). Beyond mere illumination, effective store lighting highlights products, defines areas, and evokes emotions, fostering customer loyalty and positively impacting purchasing decisions (Levy & Weitz, 2008). Customers desire pleasant supermarket lighting for Browse enjoyment (Hilal, 2022). Businesses need balanced, attractive lighting for optimal customer visibility and store layout perception. A clean outlet can elicit pleasant feelings and mood in customers, which will influence positive or bad word-of-mouth about an outlet, spread by customers because of their experience. The store's clean aesthetic shouldn't be sacrificed, regardless of whether it serves a lower-, middle-, or upper-class clientele. Customers are more inclined to make larger purchases, stay longer, and return to a clean outlet because it is more aesthetically pleasing and well-organized (Manuahe et al., 2017). The scent is a nice aroma that affects a customer's mood and feelings, encouraging them to remain longer and feel more enthusiastic (Manuahe et al., 2017). Scents positively influence consumer patronage, though the degree of impact may vary (Ali et al., 2017). Scent marketing can uplift customers' spirits and help them feel at ease in the store, which may have a favorable impact on their decision to buy. Scent is a powerful emotional trigger (Hassan, 2015). Research has shown that pleasant ambient scents can positively influence customer evaluations, variety-seeking behavior, time spent in- store, and overall spending, especially when the scents are semantically aligned with the products being considered within the store's environment (Sachdeva & Goel, 2015). The second hypothesis for this research has been generated as below.

H2 : There is an impact of store ambiance on supermarket consumers' impulse shopping behavior.

Store Employees

Store staff are crucial, directly influencing customer experience and spending (Madhuhansi, 2017; Donovan & Rossiter, 1982). High-quality interpersonal interactions, rapport, and responsiveness from employees increase customer satisfaction (Marques et al., 2013). Courteous and knowledgeable staff are essential for positive customer sentiment (Terblanche, 2018), and customer emotions improve with polite treatment

(Ing et al., 2019). Staff appearance, particularly informality during service failures, significantly impacts customer emotions (Jiang & Liu, 2014). Friendly staff and other social stimuli boost purchasing arousal (Jiang & Liu, 2014). Retailers must prioritize employee appearance, politeness, and attitude as they convey company values and influence customer behavior (Turley & Milliman, 2000). Well-behaved store employees enhance the shopping experience. Therefore, the third hypothesis has been built as below.

H3 : There is an impact of store employees on supermarket consumers' impulse shopping behavior.

In-store Advertisements

A positive attitude toward advertising correlates with shopping enjoyment, especially for less-educated consumers (Mihic & Kursan Milakovic, 2017). In-store promotions attract recreational shoppers who enjoy exploring information (Dhara et al., 2023). Promotional focus enhances abstract information interpretation (Dhara et al., 2023). Social content posters improve perceived merchandise quality (Hu & Jasper, 2006a). In-store ads and promotions boost impulse buying, with discounts driving low-cost purchases and bonus packs increasing luxury sales (Gooneratne & Wimalasiri, 2021). Shopping provides joy and sensory pleasure (Jin & Sternquist, 2004; Arnold & Reynolds, 2003). Enjoyment, excitement, accessibility, ambiance, environment, and staff all contribute to satisfaction (Hart et al., 2007). Customer happiness influences Browse time (Purnama & Suprpto, 2022) and positive word-of-mouth (Ing et al., 2019). The fourth hypothesis has been built as below.

H4 : There is an impact of in-store advertisements on supermarket consumers' impulse shopping behavior

Impulse Buying

Impulse buying is an unplanned purchase driven by emotional or cognitive responses to stimuli, influenced by customer, store, product, and environmental factors (Herath, 2014; Virvilaite et al., 2009). In Sri Lankan

supermarkets, the store environment significantly shapes customer purchase inclination and perceptions (Hilal, 2022). Both impulse and unplanned purchases result from an overwhelming desire (Jiang & Liu, 2014). Shoppers who enjoy the experience derive more satisfaction from impulse buys than pre-planned purchases (Wiwoho, 2021). A positive correlation exists between shopping enjoyment and impulse buying; a more pleasant shopping environment fosters a positive purchasing attitude (Dwikayana & Santika, 2021). Ultimately, heightened shopping pleasure and confidence in purchase satisfaction directly contribute to increased impulse buying. Impulse buying is an unplanned purchase often triggered by emotional or cognitive reactions to in-store stimuli (Herath, 2014; Virvilaite et al., 2009). The store environment significantly shapes customer perceptions and purchase inclination, particularly in Sri Lankan supermarkets (Hilal, 2022). Unplanned and impulse purchases occur when customers succumb to overwhelming desires (Jiang & Liu, 2014). Shoppers who find enjoyment in the process derive greater satisfaction from impulse buys than planned ones (Wiwoho, 2021). Stern categorized impulse buying into pure, reminder, suggestion, and planned types (Madhuhansi, 2017). Crucially, shopping enjoyment positively correlates with impulse buying; a more enjoyable environment fosters a positive purchasing attitude (Dwikayana & Santika, 2021). Ultimately, increased shopping pleasure and perceived satisfaction directly lead to higher impulse buying behavior.

Methodology

Research Design

Data Analysis

Demographic Profile of the Sample

Out of 385 respondents; 82 respondents represented the ‘male’, and 303 respondents were female. This was divided into percentages of 21.3% for male and 78.7% for females respectively. The high responses were received from the female respondents since, the female respondents heavily engaged

in their different shopping requirements during the time period of the questionnaire distribution. There were five age categories made for all 385 respondents. Majority of the respondents were from the age group of 26-35 which is 81.8 % of the total respondents. The age group of 16-25 were represented by a percentage of 14.5% and the ages of 36-45 and 46-55 were represented by 2.1%, and 1% respectively. 0.5% was for the 55 & above category. The respondents’ income levels were measured using five income groups. Majority of the respondents were in the income group of Rs. 41,000 - Rs. 60,000 representing 48.8% of the total respondents.

Table 1 - Demographic Profile of the Sample

Demographic	Frequency	Percent
Gender		
Male	82	21.3%
Female	303	78.7%
Age		
16-25	56	14.5%
26-35	315	81.9%
36-45	8	2.1%
46-55	4	1.0%
55 & Above	2	0.5%
Income level (Rs.)		
Below 20,000	54	14.0%
21,000 - 40,000	118	30.6%
41,000 - 60,000	188	48.8%
61,000 - 80,000	9	2.3%
81,000 & Above	16	4.2%

Source : (Authors’ constructed, 2024)

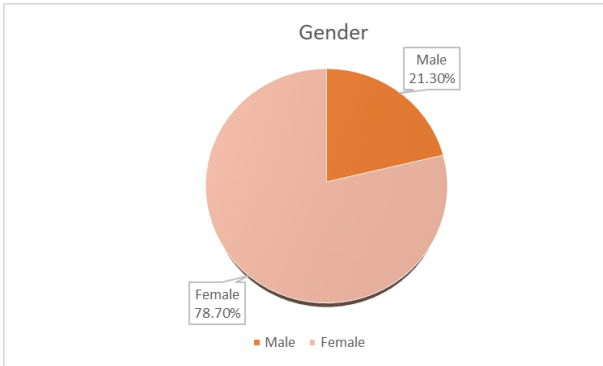


Figure 2 - Gender Distribution

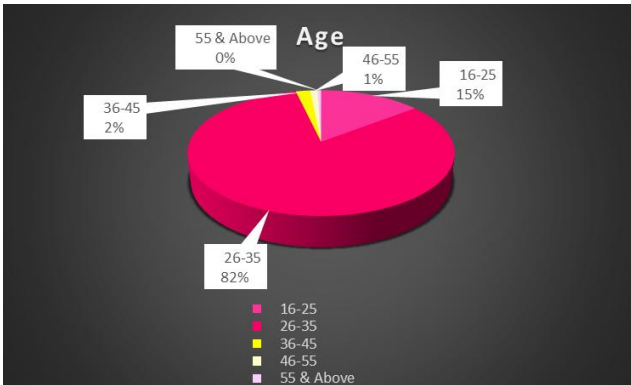


Figure 3 - Age Distribution

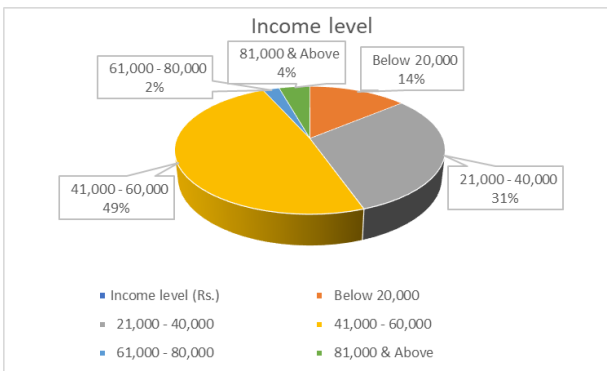


Figure 4 - Income level Distribution

Reliability Analysis

Analysis of reliability is used to examine the consistency of the variables (Sekaran & Bougie, 2010). In this research, the reliability of each variable was tested by Cronbach's Alpha. The values more than 0.7 are the required acceptancy criteria levels for Cronbach's Alpha (Nunnally, 1978). Cronbach's Alpha values for Store Layout, Store Ambiance, Store Employees, In-store Advertisements and Impulse Shopping Behavior were represented the internal consistency.

Table 2 - Reliability Analysis

	Cronbach's Alpha
Store Layout	.892
Store Ambiance	.827
Store Employees	.799
In-store Advertisements	.862.
Impulse Shopping Behavior	.798

Source : (Authors' constructed, 2024)

Regression Analysis

Table 03 shows the model summary table whereas R is correlation between observed and expected values of the dependent variables. According to the findings, R square was 36.7%. This indicates that 36.7% of the variance in impulse shopping behavior can be predicted from the variables of store layout, store ambiance, store employees, and in-store advertisements. R squared stands for the coefficient of determination, which can be used to assess the amount of variance in the dependent

variable that can be accounted by the variables that are independent in the regression model.

Table 03 - Model summary

R	R Square	Adjusted R Square
.605 ^a	.367	.360

Source : (Authors' constructed, 2024)

Table 04 - Coefficients Table

Model	Unstandardized Coefficients		Standardized Coefficients	Sig.
	B	Std. Error	Beta	
1 (Constant)	.951	.186		.000
Layout	.116	.046	.135	.012
Ambiance	.145	.061	.139	.017
Employees	.053	.056	.056	.345
Advertisements	.396	.049	.422	.000

a. Dependent Variable: Impulse Shopping Behavior

Source : (Authors' constructed, 2024)

According to the Table 04, it was highlighted the individual role played by the independent variable. Standardized coefficients were represented the predicted change of the dependent variable in relation to the independent variable of the study. Beta value has been provided an indication of the relative importance of independent variables uniquely accounting for the variance of dependent variables. The regression

equation of the study has been built as below.

$$Y = 0.116X_1 + 0.145X_2 + 0.053X_3 + 0.396X_4$$

Y = Impulse Shopping Behavior

X₁ = Store Layout

X₂ = Store Ambiance

X₃ = Store Employees

X₄ = In-store Advertisements

Hypotheses Testing

Based on the outcomes of the analysis, the findings concluded that there was a significant positive impact of store atmosphere factors including store layout, store ambiance, and in-store advertisements on impulse shopping behavior. In contrast, there was a significant negative impact on store employees as one of the factors of store atmosphere on impulse shopping behavior.

Table 05 - Summary of the Results

Hypothesis		Impact	P<0.05	Status
H1	There is an impact of store layout on supermarket consumers' impulse shopping behavior	Positive	0.012<0.05	Accepted
H2	There is an impact of store ambiance on supermarket consumers' impulse shopping behavior	Positive	0.017<0.05	Accepted

H3	There is an impact of store employees on supermarket consumers' impulse shopping behavior	Negative	0.345>0.05	Rejected
H4	There is an impact of in-store advertisements on supermarket consumers' impulse shopping behavior	Positive	0.000<0.05	Accepted

Source : (Authors' constructed, 2024)

Conclusion of the Study

The impact of store atmosphere on supermarket consumers' impulse shopping behavior within stores in the Colombo District has been tested by identifying four independent variables; store layout, store ambiance, store employees, and in-store advertisements. The researchers obtained the related independent variables after reviewing the literature. According to the regression analysis, store layout, store ambiance, and in-store advertisements were identified as factors affecting the impulse buying behavior of consumers because the significance value (p-value) was less than 0.05. However, the variable, store employees has not had a great impact on impulse buying behavior due to a higher P - value than 0.05. There is a positive impact on store layout, store ambiance, and in-store advertisements as the factors of store atmosphere on impulse shopping behavior.

The store atmosphere itself affects the impulse shopping behavior of supermarket customers in the Colombo District. Consumer behavior in retail atmospheres is shaped by four important variables, namely store layout, ambiance, employees, and in-store advertisements. The store layout, store ambiance, and in-store advertisements have emerged as key contributors on impulse shopping behavior. On the other hand, the role of the store employees itself is not relevant in this context and

therefore offers new insights into retail management strategies.

An orderly and easy-to-move-around store layout makes the shopping environment comfortable. Regression analysis proved that store layout positively influences impulse buying behavior. Store ambiance can have a great impact on shoppers' emotional states. The good atmospheric condition in the store will lead to spending more time in the store, creating more possibilities for unplanned purchases. Attractive promotions and information displays encourage customers to browse around and make purchases that are not planned beforehand. Store employees, on the other hand, were clearly not influential enough, since the hypothesis concerning this variable was rejected.

Theoretical Contribution

This study finds that the factors of store atmosphere influence impulse shopping behavior, thereby contributing to the broader field of consumer impulse shopping behavior by investigating precise factors of the supermarkets' store atmospheres, such as store layout, store ambiance, in-store advertisements, and store employee interactions with customers, influence shopping behavior. The study provides an overview of how different store atmosphere factors like store layout, ambiance, advertisements, and behavior of employees have a psychological influence on consumer psychology. It uses the backdrop of localized data from the Sri Lankan retail sector to help elevate theories and account for regional variations in existing knowledge. This helps researchers and practitioners worldwide to understand how retail strategies might have to be custom-made for different markets. This is important to scholars in its contribution to developing theoretical frameworks on previously unexplored variables and cultural contexts to make the theories sound and versatile enough for wider application. For practitioners, this translates these same theoretical insights into actionable strategies, linking the gap between academic research and real-world application.

Practical Contribution

The survey comes up with practical suggestions for improving store layout and ambiance within the retail industry or, in this case, a supermarket in Sri Lanka. It prescribes strategic placement of high-demand products, coupled with an enticing shopping atmosphere with suitable light, music, and fragrances to promote impulse purchasing. The study gives some actionable suggestions regarding employee training and advertisements: improvement in customer service skills and friendliness. Findings like these also have key strategic implications for retail marketing and operations, such as how to position products based on customer flow or where to invest in store design or employee training. This could be useful in the development of standards or incentives by policymakers and industry stakeholders in efforts toward an enhanced shopping experience in retail that would drive customer satisfaction, loyalty, repeat business, and economic growth across the board. Hence, this research contributes to the competitiveness and economic outcomes of the retail industry in Sri Lanka, which ultimately would benefit supermarket managers, policymakers, and the retail sector.

Limitations of the Study

There are 385 selected samples in the Colombo District. The results of this study can be further validated if another study includes more than that sample size. This study considers four dimensions of store atmosphere factors, including store layout, store ambiance, store employees, and in-store advertisements. If a study considers more dimensions of variables, including the study dimensions, the findings would be supported in detail. This study does not provide an understanding of how store atmosphere affects the impulse buying of supermarket customers in Sri Lanka as a whole. Because people in remote districts are less likely to visit supermarkets.

Summary

These results reflect that impulse-buying behavior among supermarket customers is greatly influenced by store atmosphere in the Colombo District. Store layout, ambiance, employee interaction, and in-store advertisement are some of the key dimensions influencing consumer purchasing decisions. The well-designed and well-managed store atmosphere makes shopping easier and more entertaining, increases unplanned purchases, and hence revenue for the supermarket. The most influential factors are store layout and ambiance, drawing attention to an inviting, easily accessible, and visually stimulating environment. Store employees and in-store ads also have positive effects, pointing out the importance of customer service excellence and strategically effectively crafted promotional efforts. The current study develops both theoretical and practical implications for retail managers regarding the optimization of store designs, the training of their staff, and the devising of advertising strategies that best fit the expectations and behaviors of customers. However, this study has a limitation, as the research scope was confined to supermarkets in the Colombo District, considering only in-store factors, while excluding personal consumer characteristics and/or other market trend factors.

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Study on Professionals' Perceived Opinion on the Impact of Market Inputs on Accuracy of Fair Value for Financial Reporting Purpose.

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ABSTRACT

This research study aims to ascertain professional perceived opinion on the impacts of Market Inputs (MI) on the accuracy of Fair Value (FV) assessment of Property, Plant and Equipment (PPE) for financial reporting purpose. The MI mean the information, data and evidence of comparable transactions used in FV assessment. The International Financial Reporting Standards 13 identifies the MI at 3 levels as level 1, 2 and 3. In light of the lack of previous studies on the subject matter in Sri Lanka, the objective of the study is to discover the relationship between MI and the accuracy of FV and its impacts on the accuracy of FV. This review is a combination of the approach, in which literature review and a pilot survey of 50 chartered valuers and chartered accountants are fused and SPSS is used for quantitative analysis, including Pearson correlation tests and Regression analysis. Most notably, the Pearson correlation reveals statistical Significance at :p-value of 0.0000, indicating the correlation is statistically significant that means the observed correlation is unlikely to be due to random chance. It further reveals a strength of Correlation: $r = 0.690$ indicating a strong positive relationship between MI and FV, thus, when the market inputs increases, the accuracy of Fair Value also tends to increase. On the other hand, the Regression Analysis shows that the strength of Impacts is significant (Sig.): 0.0000, while the adjusted R Square value is estimated at 0.4640 - indicating that 46.4% of variability of FV is explained by MI. Further, Unstandardized Coefficient is measured at : Mean MI - .777-(Sig.): 0.000 indicates, when 1 unit increase in MI, Accuracy of FV is supposed to be increased by 77.7% and is statically significant ($p < 0.05$). So, it suggests that MI significantly impact on accuracy of FV. The implication of the findings is that the

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MI must be more quality and accurate with adequate accessibility for valuers in order to increase the accuracy of FV assessment. So, the research mainly recommends to establish comprehensive information regime at each corporate level, increase the inputs availability and accessibility for stakeholders, promote cooperation among the stakeholders for a culture of sharing information without reluctance, ensure complying of ethics standards among parties particularly for data protection and

privacy, increase proper education and awareness regime among stakeholders on importance of proper recording etc. Besides, the research pointed out the obstacles like the limited research area and the small sample size, suggesting further research to deal with these problems in the future to increase the accuracy of FV for financial reporting.

Key Words: Accuracy of Fair Value, Financial Reporting, Market Inputs, PPE Valuation.

Introduction

The problem of accuracy of Fair Value (FV) assessment of Property Plant and Equipment (PPE) is of great importance to the financial reporting because it directly affects financial statements and the other stakeholders who have to make crucial decisions. Valuation of PPE assets, which is the cornerstone of the fairness, is the basis of financial health of a company, intelligent investing, and compliance with the regulations (Barth *et al.*, 2008). Nevertheless, the way of estimating the FV of PPE is difficult because it relies on various market inputs that may influence the accuracy of the valuation.

Market inputs encompass a broader area, which involves market forces and circumstances, industry factors, demands and supplies, technology and macrosystems (Kieso *et al.*, 2016). In line with this, the amount of PPE

assets' inputs obtained by an organization is notably proportional to the perceived value that often impacts the income statement of the organization (Schroeder et al., 2022). The main issue in the connection between the inputs from the markets and the accuracy of FV assessment of PPE is the basis of decision-making for the stakeholders and the assurance of transparency in financial reporting. Market conditions to a greater or lesser extent have a critically important role to play in the valuation of the assets of PPE units. Insufficiency of real estate and construction markets by possibly reminding the enterprise of the material value of assets and goods (Palepu *et al.*, 2020). In the high demand times for real estate and construction projects, the FV of PPE assets may increase, thus causing higher valuations in financial statements. In particular, if the economy is languishing in a slump or undergoing another difficult episode, this will likely translate into downward pressure on the valuation of PPE, because of its generally lower demand and market uncertainties (Nikolai *et al.*, 2010).

The FV of PPE assets among different industries is very much influenced by the prevailing market trends in these particular industries (Zimmerman, 2017). Firms that regularly update their technologies to stay at the cutting edge or recognise the fickleness of consumers experience frequent upgrades of machines, plants and equipment as these get replaced. This would leave them with bodies of assets that are less valuable or even have no use to them (Palepu *et al.*, 2015). Besides, changes in the regulatory framework or shifts in the industry standards may influence the valuation methodologies for PPE assets. Thus, it is important for companies to adjust their valuation practices to stay compliant and also in line with the market realities (Flood, 2015). Dynamic changes in varying markets concerning supply and demand would in turn create more erroneous FV assessment of PPE (Kieso *et al.*, 2016). As an example, having an oversupply of specific types of equipment or properties has an outcome of a reduction in pricing and a resultant lower evaluation in the case of the same assets owned by companies. On the contrary, the scarcity or the high demand for certain PPE assets can lead to

their increased market value, hence, the appraised FV of such assets in financial statements will be higher (Palepu *et al.*, 2015).

Technological progress is marked as the next remarkable market component which can distort PPE valuations (Schroeder *et al.*, 2022). Technological advances such as automation, roboticization and 3D printing, may result in various manufacturing processes being outmoded, old machines malfunctioning or less efficient equipment being used. This, in turn, would reduce the value at which assets are being calculated (Nikolai *et al.*, 2010). On the other hand, investments in modern technologies or upgrades of equipment might increase the FV of PPE assets as they would be more productive and have a competitive advantage (Barth *et al.*, 2008).

Macroeconomic factors like interest rates, inflation, and currency exchange rates can be the driving force behind the assessment of PPE as well (Flood, 2015). The level of interest rates is capable of changing the expense for businesses wishing to borrow money to pay for or maintain PPE assets, while the inflation rates have the potential to affect the cost of replacing equipment or facilities (Schroeder *et al.*, 2022). Additionally, fluctuations in currency exchange rates can affect the value of PPE assets held in foreign markets, introducing currency risk that must be considered in the valuation process (Epstein and Jermakowicz, 2010).

Problem identification

The accurate valuation of PPE for the financial reporting purpose is very essential and, at the same time, faces the problem of market inputs. Although a variety of approaches for the valuation of PPE have been developed, some factors governing the state of the market and industry trends, supply and demand dynamics, technological advancements and macroeconomic indicators impact the valuation of PPE to no avail. Such unclarity presents considerable difficulties for stakeholders, which include investors, supervisors, and management since disclosing the values of assets in reporting statements might be distorted. Therefore, we should investigate

and face the challenges and discrepancies that come from market inputs in the valuation of PPE. Through this, stakeholders can only bring about better transparency, reliability and conformity in financial reporting, therefore, eradicating the doubt of investors in the financial statement thus investment market.

Research objectives, and hypothesis of the study

This research paper aims to achieve following two objectives,

- 1). To ascertain relationship between Market inputs and accuracy of FV of PPE for financial reporting purpose,
- 2). To analyse the impact of Market inputs on the accuracy of FV of PPE for financial reporting purpose.

Accordingly, following two hypotheses were tested,

H1: There is a significant positive relationship between Market inputs and the accuracy of FV assessments of PPE for financial reporting.

H2: Market inputs significantly impact on the accuracy of FV assessments of PPE for financial reporting.

Literature review

Concepts of Fair Value assessment

FV is defined “the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date” (IVS 104, (2022), 90.1). Value appraisal and financial reporting are based on reliability, basically, the two are aimed at making the valuation accurate and transparent. This definition shows that the market forces and the participants' perspectives are the main deciding factors in FV assessment of PPE. Further, Fair value is the amount for which an asset can be exchanged between interested and conversant parties in an arm's length transaction, and it is determined by market prices, appraisals, or discounted cash flow analyses (Kieso *et al.*, 2016).

There are mainly three approaches used in FV assessment namely Market Approach, Income Approach and Cost Approach. The market approach is one of the broad methods used for the determination of the FV, and so the market prices or inputs are the observable evidence of value of assets or liabilities. Hence, the investment appraisal process is independent of the principle of Fair Value Accounting (FVA), which is based on valuation estimates that mostly use reliable market data (Barth *et al.*, 2001). Nevertheless, the employment of the market approach may not be possible in the cases where the market data is missing or unreliable, hence, other valuation methods are needed.

On the other hand, the income approach to FV assessment is based on the methods to estimate the present value of future income streams resulting from ownership of an asset or liability.

Related to this is the nature of the correlation between income-generating assets and the defined range of assets is also helpful and therefore market volatility. Through the procedure of depleting future cash flows to their present value, the income approach gives an understanding of the real value of an asset, based significantly on its expected cash flow generation potential (Sapra *et al.*, 2008).

At the last resort, the available approach is however the cost approach which also holds weight, where the cost of replacement or reproduction of the asset is considered to live up to its FV. This approach is based on the assumption that an informed buyer would not pay more for an asset than the cost to get or produce a substitute which is of the same utility as the asset.

Despite the diversity of fair value assessment approaches, the overarching objective remains consistent. The main aim of this strategy is to timely inform all stakeholders of relevant and reliable information for effective decision-making. To accomplish this task, the norm of accounting standards, openness of disclosure practices, and strict valuation techniques

that reflect the real economic value of assets and liabilities should be followed (Nikolai et al., 2010).

Requirement of Fair Value

The requirement of FV has gained prominence in financial reporting, particularly in the valuation of PPE, owing to its potential to enhance transparency and reflect the true economic substance of assets. Fair Value, defined by the FASB, is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (FASB, 2018). FV has been endorsed by its proponent to offer the users of financial reports prompt and current relevant information about the assets' status. Supporters point out that FV model is more like to reflects the current market conditions and the economic realities as compared to historical cost accounting model, thus it enables the stakeholders like investors, creditors and others to make better decision-making (Barth *et al*, 2008).

Nevertheless, FV model comes up against such challenges from those fit to judge, but the acceptance rate for them increases in standard-setting bodies and regulatory authorities. The International Financial Reporting Standards (IFRS) demand FV model for specific financial instruments and investment properties, while the FASB has increased the use of FV model in the US Generally Accepted Accounting Principles (GAAP) using standards like ASC 820, Fair Value Measurement (IFRS Foundation, 2020; FASB, 2018).

Standards applied for Fair Value assessment

Valuation at FV is an indispensable part of financial reporting which even relates to the PPE evaluation. Both IFRS and GAAP offering instructions on FV recognition enhance the financial reports' transparency and consistency. According to IFRS, the International Accounting Standard (IAS) 16 governs the accounting for PPE, where the FV measurement is the key aspect when the assets are first recognized, revalued, or derecognized.

Furthermore, par of IAS 40 includes standards for FV measuring of investment property, additionally, it gives a structure for establishing the FV of PPE, those held for income production or capital appreciation. Similarly, under GAAP, the FASB Statement No. 157, "*Fair Value Measurements*," establishes a framework for measuring FV and guides the hierarchy of inputs used in FV measurements. Furthermore, FASB Statement No. 141R and Statement No. 142 address the accounting treatment for business combinations and intangible assets, respectively, requiring FV measurement for acquired assets.

Scholars have extensively studied the application of FV standards in financial reporting, highlighting both benefits and challenges associated with their implementation. Proponents argue that FV measurement enhances transparency, providing users of financial statements with relevant and reliable information for decision-making purposes (Penman, 2007). Additionally, FV measurement reflects current market conditions, offering a more accurate representation of asset values compared to historical cost measurement (Barth, 2022).

Concepts of Property, Plant, and Equipment (PPE)

PPE is a central concept in financial accounting, which stands for the tangible assets a company needs to run its operations. PPE covers a bundle of resources categorized under land, buildings, machines, equipment, transportation, and furniture which are applied in the actual production or just for administrative purposes (Kieso *et al.*, 2016). The accuracy of valuation and reporting of vital assets such as PPE is done particularly under the auditing of IFRS and GAAP.

According to IFRS, PPE assets are initially recorded at cost, which is all the expenses directly attributable to their acquisition, construction, or production, including taxes, duties, and transportation costs (IFRS Foundation, 2021). Later on, PPE assets are accounted for as depreciation

expense on the income statement representing the decreasing value of the asset as a result of shrinkage, wear, and tear. (IAS Plus, n.d.).

Market inputs and their importance in Fair Value assessment

In the world of modern accounting, the measurement of the FV of assets including PPE reflected in financial statements has gained enhanced popularity; it is for its substantial role in financial reporting. The market inputs, which in this case are the external factors affecting the perceived value of assets, play a vital role in this valuation process. Contextual sources, including comparable transaction evidence, market conditions, industry trends, supply and demand fundamentals, technological development, and macroeconomic factors, are used for setting the assets' FV.

Market conditions play a substantial role in estimating FV as they affect the price of the assets and market liquidity. Majercakova and Skoda (2015) state that during a recession, market uncertainty can cause asset prices to be more volatile, which makes it difficult to measure the FV accurately. Besides, Barth *et al.* (1995) argue on the impacts of the real estate and construction market that hinder accurate valuation of PPE assets, highlighting market conditions as a determinant of FV. Industry-specific trends that add significantly to FV measurement are also wielded as a powerful influence. As stated by Brown-Liburd *et al.* (2014), industries that consist of rapid technological innovation may undergo lots of updates of equipment and facilities which in turn will require the adjustment of the methods of valuation to accurately reflect the asset obsolescence. Additionally, company appraisals may change due to regulations and standard-based transformation of the industry's environment as noted by Leuz and Verrecchia (2000), pointing out the importance of dynamic valuation approaches that can adapt to market dynamics.

Macroeconomic variables, such as interest rates, inflation rates, and currency exchange rates, have also influenced the FV estimates as identified earlier. According to Al-Qudah (2012), interest rate changes can twist cash flow numbers in asset valuation models, which in return will affect the FV measurement. Besides the impacts on the currency exchange rates that introduce currency risk, the FV estimate of the company needs to be studied, as proposed by Zang (2012). Market conditions, among other real estate and construction fluctuations, so frequently change similarly, creating rather inexact evaluation of PPE assets. Ball (2006) mentioned that concerning observable market prices or inputs, market-based valuation methods must be used to estimate the FV of assets.

Importance of accuracy in Fair Value

The ability to appropriately value assets using adequate inputs, methods and techniques is known as valuation accuracy. Alternatively, it is a degree of gap between appraised price and transacted price, so narrower the gap, higher the accuracy. Also, accuracy of valuation is an outcome of quality information, hence adequate and reliable inputs are necessary for accurate valuation. The Fair Value Assessment (FVA), supported by standard-setting bodies such as FASB and IASB, is based on the reporting of assets and liabilities at their current market values. Supporters of the same contend that FV assessment is efficient in transmitting information to market participants through reflection of current market conditions and the reality of the economic environment (Barth *et al.*, 2008). Nonetheless, the foes pinpoint the fact that FV assessment can be quite subjective and easy to manipulate, undoubtedly in an impaired market (Laux and Leuz, 2009).

Facts-based research has shown that the transparency of FV information contributes to improved market liquidity, investor confidence, and higher valuation accuracy (Roggi and Giannozzi, 2015). Besides, FV assessments leading to accuracy enable us to discriminate asset impairments, and

financial statements show the real economic key of assets and liabilities (Barth *et al.*, 2001). Recent studies show that the reliability of fair market valuations positively correlates with a level of disclosure about background knowledge and assumptions used by companies (Botosan and Plumle, 2002). In addition, proper and efficient regulatory measures and controlling mechanisms would contribute a great deal towards complying with FVA standards and preventing fraudulent acts (Shahzad *et al.*, 2019). Furthermore, accurate Fair Value assessments increase transparency and the decision-making process, all of which help in the stability and efficiency of financial markets. Barth *et al.* (2012), in their study, argued that FVA denies information asymmetry between investors and managers, hence managers have to be accountable to investors at a very high risk, which thus reduces the agency costs and improves capital allocation efficiency. Likewise, the FV parameters permit participants in the market to determine the risk-reward profiles of investments more accurately which helps in discovering the prices and achieving market efficiency (Barth *et al.*, 2009).

Issues associated with the lack of Fair Value accuracy

Asset valuation is a pillar in financial reporting, which offers capital providers all the data required for the analysis of a company's financial health and performance. However, Penman (2007) pointed out that fair valuation accounting depends to a large extent on subjective judgments, and as a result, biases and inconsistencies in asset valuations may arise. This subjectivity is most evident in the forecasting of future cash flows, discount rates, and market comparable used in the valuation models (Barth *et al.*, 2001). As such, with a difference in Fair Values and prices in the market the trustworthiness of financial statements can be affected. What is important in this regard is the matter of PPE assets, which brings problems to their precise valuation. Contrary to financial assets, which usually have market prices readily available, PPE assets differ by their physical condition, useful life, and technological obsolescence (Zyla, 2020). For

instance, various items such as machinery and equipment can depreciate at different rates depending on the level of use and whether they are regularly maintained. The latter also means that accurate determination of PPE value is a matter of extensive knowledge of specific asset features and market dynamics, some of which might be hard to get. What we also can cite is the absence of transparency in valuation. Christensen *et al.* (2011) study was concerned about FV measurement transparency and disclosure credibility. In such cases when management estimates are unreliable, or if there are no open markets to compare the value, valuation inputs may be guesswork. Under these circumstances, the stakeholders may doubt the reliability and objectivity of the FV measurements and thus create distrust and scepticism in the financial reporting.

On the other hand, both the regulatory requirements and the accounting standards might make the issue concerning FV accuracy worse. Many of the accounting standards that currently exist like IFRS 13 and ASC 820 have placed a great deal of emphasis on the use of FVA practices (Laux and Leuz, 2009). Nevertheless, following these standards may be a complicated and resource-intensive process, especially for companies with different assets and international operations (Nobes, 2014). Besides, there are increased inspections and enforcement actions regarding FV measurements due to financial crises that took place later. That makes the accuracy of the FV even more crucial (Beatty *et al.*, 2008). The subject of market volatility and economic fluctuations also pose challenges to FV accuracy. According to Landsman (2006), market instability is likely to distort figures found on FV, mostly those which have little trade or are in illiquidity markets. Bushman and Smith (2001) have observed that during period of increased economic risk or during financial difficulties expected future cash flows and discount rates may change by substantial amount thereby affecting FVs. Thus, the value of PPE assets may not be correctly worth in this case to what really represents the economic value of assets in the companies' balance sheets.

Methodology of the study

The method used in the research study to investigate the research issue combines quantitative analysis with empirical research to get a more complete picture of the relationship between market inputs and the accuracy of FV assessments for PPE assets. The study used primary data to accomplish the objectives of the study. The study collected 50 responses from both Chartered Valuers and Accountants for this pilot study and analysed the data using SPSS (26) software. Based on the selected variable's average score, Pearson correlation analysis is considered to find out the relationship strength and multi-collinearity issue. The study did not find any correlation strength of more than 0.9 and it indicates that there is no multi-collinearity issue present among the IV (Market Input) and DV (Fair Value) (Sangchan *et al.*, 2020). The study also applied linear regression to find out the impact of IV on DV. The study applied the bootstrap method in regression to improve the finding's reliability. The method will help to improve results generalization as we have only 50 participants and this method used a resampling technique (Bootstrap=2000) (Xu et al., 2020).

Data analysis and discussion

The analysis reveals a positive relationship with significant impact between Market inputs and FV accuracy. It implies that of greater quality and more dependable inputs may result in more accurate FV assessment and improve the unwavering quality of financial reporting.

4.1 Correlation analysis:

The analysis of findings of the pilot survey measured the Pearson correlation coefficient between market inputs and FV accuracy at (r) at 0.690 that indicates a significant and moderately strong positive correlation between the Market inputs and the accuracy of FV. This positive correlation infers that FV accuracy tends to rise in tandem with an increase in market inputs.

Further, the Statistically significant (p-value) is measured at 0.000 which suggests that correlation is statistically significant, meaning that the observed correlation between variables is unlikely to be due to random chance, therefore concludes a robust relationship between variables.

Regression analysis:

Table 2 : Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Sig. F Change	Durbin Watson
1	.690 ^a	.476	.464	.36159	.000	2.108

Table 1 : Pearson Correlations

		Mean_MI	Mean_FV
Mean_MI	Pearson Correlation	1	.690**
	Sig. (2-tailed)		.000
	N	50	50
Mean_FV	Pearson Correlation	.690**	1
	Sig. (2-tailed)	.000	
	N	50	50

** . Correlation is significant at the 0.01 level (2-tailed).

Source : Author Generated

Predictors: (Constant), Mean_MI

Source : Author Generated

On the other hand, the Regression analysis results above shows that R Square value is calculated to be 0.4760 and it indicates that 47.6% of the variability of the dependent variable is explained by the independent variable thus it suggests a moderately strong model fit. Further, adjusted R Square Value is measured at 0.4640, that suggest the model's explanatory power is still reasonably strong, indicating a similar proportion of explained variance when considering number of predictors, indicating the model is relatively well-fitted to the data. Further, Std. Error of the Estimates at 0.361590 shows a lower standard deviation of the residuals, implying a better prediction accuracy. The Durbin-Watson value is measured at 2.108 that suggest a little or no autocorrelation in the residuals, meaning that the

residuals are independent that is the key assumption on which linear regression is based on.

The ANOVA table above on the other hand, shows the F-statistic (42.630) and a p-value of 0.000, confirming that the model significantly explains the variation in Mean FV. This suggests that market inputs has a strong and meaningful impact on the accuracy of FV, validating the inclusion of Mean MI as a predictor in the valuation model and an it can be approximately attributed for 47.6% of the variation in Mean FV

Source : Author Generated

Table 4 : Coefficients Table

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.992	.463		2.144	.037
Mean_MI	.777	.119	.690	6.529	.000

a. Dependent Variable: Mean_FV

Table 3 : ANOVA Table

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	5.574	1	5.574	42.630	.000 ^b
Residual	6.145	47	.131		
Total	11.719	48			

a. Dependent Variable: Mean_FV

b. Predictors: (Constant), Mean_MI

Source : Author

As per the Table 4 above, Sig. for Mean MI is measured at 0.000 suggesting

that the relationship between Mean_MI and Mean_FV is highly statistically significant and the positive Beta coefficient (0.690) suggests that Mean_MI is a strong predictor of Mean_FV. Further, the Mean_MI $B = 0.777$, indicates that for every one-unit increase in Mean_MI, the Mean_FV is expected to increase by 77% while all other factors are constant. Moreover, the t-value of 6.529 indicates a very strong statistical significance, suggesting that Mean_MI is a significant predictor of Mean FV.

In summary, the Regression analysis suggest that the model demonstrates a strong positive relationship between Market inputs and FV accuracy while Market inputs is accounting for approximately 47.6% of the variance in accuracy of Fair Value. The model is statistically significant, and the coefficients indicate that Market input has a significant and strong impact on accuracy of FV. In conclusion, there is a strong and statistically significant positive relationship between Market Inputs and FV accuracy. This suggests that higher market inputs are associated with higher accuracy of Fair Value assessment.

Therefore, this study with integrating literature reviews and data analysis effectively achieves the objectives of the study being, to ascertain relationship between Market inputs and accuracy of FV of PPE for financial reporting purpose and its impacts, thus, both hypotheses were accepted. Accordingly, it is well confirmed that the significant positive relationship between the Market inputs and FV accuracy, as well as the Marekt inputs significantly impacts on the FV accuracy. Thus, this comprehensive discussion highlights the need to obtain accurate and relevant market data and employ techniques that dynamically respond to quantitative variations as critical success factors in generating accurate FV assessment for financial reporting purpose.

Implication and recommendations

Investigating international FV assessment of PPE in financial reporting

implies critical signs trying to reveal complexities and challenges in this process. Although the fair valuation approach attempts to achieve transparency and accountability of financial reports, its accuracy is under-debated, making the implication assessment on the stakeholders and financial decision-making to be rather nuanced. In this backdrop, the implication of the study findings is that the Market Inputs must be more quality and accurate with adequate accessibility for valuers in order to increase the accuracy of FV assessment. More importantly, the accuracy of FV assessment could be challenged in the backdrop of scant market inputs regime.

To ensure, accuracy of the FV assessment, one of the prominent factors would be a making all possible information and data available for valuers to form an objective opinion on Value of a Property. Most salient point here is an environment to collect transparent, accurate, reliable and adequate market inputs with ease of accessibility at points when it is required to the extent that is needed for the Valuation to make objective judgements. Accordingly, following recommendations are suggested.

- I. Establish comprehensive information regime at each corporate level and national level
- II. Suggests to improving the transparency, increasing the inputs availability and accessibility for stakeholders mainly for Valuers
- III. Promoting the cooperation among the stakeholders for a culture of sharing information with valuers without reluctance as required for the purpose given
- IV. Ensure complying of ethics standards among parties particularly for data protection and privacy
- V. Increase proper education and awareness regime among stakeholders on importance of maintaining proper recording, reliable and accurate information regime for use of FV assessment

- VI. Suggest to do further research to deal with the issue and more scientifically and practically to ensure reliability of financial reporting and investor confidence.
- VII. Educate stakeholders and general publics on importance of compiling data & information in methodical manner and maintaining systematic property recording mechanism within organisations and also by individual property owners.
- VIII. Setting up proper monitoring regime within professional institutions to review Valuations opinions by their respective members on regular basis and share feedbacks with stakeholders in order to ensure accuracy of FV assessment.

Conclusions

Conclusively, the proper valuation of PPE to achieve accurate financial reporting is crucial to stakeholders in making decisions and a transparent market. This study effectively established that there is a significant positive relationship between market inputs and accuracy of FV assessment. It further proved that market inputs significantly impact on the accuracy of FV assessment. So, the market inputs is critical to ensure the reliability of financial statements which relied by stakeholders for investment decision making. The study suggests that more reliable and quality inputs may lead to generate more accurate FV assessment, thereby improving the unwavering quality of financial reporting. Literature review further reveals that the effects of FV assessment extend to stakeholders, signifying thorough transparent valuation processes for investors to get dependable opinion in order to make informed decisions on investments. It also finds that the accuracy of FV could be challenged in the backdrop of scant market inputs regime thus the subjectivity and inadequacy of the inputs may give room for inaccuracies if not scrutinized correctly before it is considered to use for FV assessment. Finally, it concluded that All stakeholders mainly Valuers, Accountants and Corporates must maintain their integrity and

transparency by using accurate, and reliable inputs adequately for FV assessment to ensure its accuracy and dependability to take informed decisions on investment.

Limitations

This study is not without limitations. Firstly, its scope is limited to the fair value measurement of PPE for financial reporting purposes only. This might disregard more other salient factors that could impact on the accuracy of FV assessment. Secondly, the relatively small sample of 50 participants taking part in the pilot survey may not present the entire spectrum of views and opinions that exist in this field, which might diminish the study's generalization. Finally, the use of secondary data and information may imply that the articles and dataset results used contain some bias or restrictions. By mitigating the limitations of the study through the use of wider research methods, larger samples, and the integration of multidisciplinary viewpoints, the study would become more inclusive and enhanced in terms of credibility.

Future Research

This is not an easy task, but future research in this field is going to address quite a few key areas to further advance the understanding and practice and hence will be useful for future generations. Firstly, it is suggested to do research for larger number of industries by incorporating other potential factors that would impact on FV accuracy. Then, it will help us to get a better picture of the accuracy of FV assessment so that to take informed decisions more accurately. Besides that, one should also include qualitative research methods such as interviews and case studies with quantitative analyses and that would make it possible to have a better understanding of the real-world challenges and nuances of accuracy of FV accounting.

Besides, future studies should put more emphasis on enlarging the sample sizes and having more varieties of participant demographics to make sure that the findings are applicable and conclusive to all. Doing research about the new trends and more factors that could impact of accuracy of FV assessment may probably help to get new insights about the ways to avail the adequate and quality market inputs to improve the accuracy and efficiency of the FV assessment.

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WORK – LIFE INTEGRATION AND SATISFACTION AMONG BUSINESS LEADERS: A SYSTEMATIC LITERATURE REVIEW

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ABSTRACT

Work – life integration has become a crucial norm for business leaders, considering the growing complexity of contemporary work settings, technological breakthroughs and evolving roles of leadership. Effective work – life integration tends to enhance business performance, employee well – being and total economic productivity in addition to improving leadership effectiveness. However, despite its significance, high number business leaders find it hard to maintain a healthy balance between personal and professional lives. Poor work satisfaction and burnout have resulted from “always on” attitude, industry – specific expectations and digital connectivity that blurred the lines between personal and professional obligations. The study understands the critical literature gap that, most of the studies on work – life integration focused on general level employees rather than senior managers and executives. Furthermore, while prior research emphasizes the positive aspects like flexibility, this study highlights the paradox where more work – life integration results in intensification of workload. Additionally, this study seeks to contribute to the existing body of knowledge by illustrating the significance of leaders’ work – life integration in shaping workplace standards. This review aims to synthesize the findings from existing literature and critically analyse the conceptualization between work – life balance and work – life integration, key determinants of work – life integration, challenges and outcomes. The methodology used in this study is systematic literature review by using a sample of 60 articles published from 2000 – 2024 in this context. Findings reveal that organizational culture, technology advancements, industry – specific demands and societal norms have a significant impact on the effective integration of personal and professional lives of business leaders. While flexible work arrangements and supportive business policies enhance satisfaction, the paradox of work – life integration remains, whereby higher levels of flexibility results in work intensification rather than lowered workloads. The study provides recommendations for business leaders to establish clear limitations while using technology for business purposes and prioritize self – care. Organizations need to

establish a supportive work environment and conduct leadership supportive sessions on work – life integration such as coaching programs. Finally, the study offers insights for future researchers to conduct gender – specific research on work – life integration and its impact on overall performance of the organisations.

Keywords: Work – life integration, Business leadership, Job satisfaction, Organizational culture, Work intensification

Introduction

Work – life integration has drawn a lot of attention in management and organizational behavior research, since corporate leaders frequently encounter specific challenges in establishing a balance between their personal and professional obligations (Marc et al., 2024). As firms navigate an increasingly dynamic environment, the relationship between leadership practices and personal well – being has become an important field. Work – life integration emphasizes the interconnectedness of work and personal life and aims to bring them into equilibrium, in contrast to conventional work – life balance, which places a focus on separate boundaries between the two (Afif, 2019). In the present context of business environment, top level managers in firms have to be available outside of regular working hours due to elevated expectations brought on by rapid globalization, digital transformation and evolving workplace dynamics. Although advanced technology delivers greater flexibility, it also blurs boundaries, which may results in clashes between personal and professional lives (A. Chen & Karahanna, 2014).

Business leaders significantly contribute to the corporate culture, employee engagement and overall organizational success in numerous ways (Khurong et al., 2022). However, it is clear that their total performance, decision – making and job satisfaction are strongly affected by their capacity to maintain a satisfying work – life balance. Traditional perspectives have often defined leadership success through performance measurements. However, the growing prevalence of anxiety and burnout has led to a revision of these measures to incorporate emotional and psychological well-being as crucial components of effective leadership (Dewi et al., 2023).

Existing research has examined a number of strategies to assist leaders in overcoming these barriers, consisting flexible scheduling, remote work and well – being programs (Reimann & Abendroth, 2023). Additionally, these flexible work plans drive business leaders towards better performance and strategic decision making that directly impacts on organizational success. Despite this increased interest, there is still a requirement for a comprehensive analysis of factors and outcomes of work – life integration for business leaders.

In the current business context, leaders have to face unique challenges such as high standards, long working hours and requirement for constant availability, which may lead to stress, burnout and frustration (Hemachandran, 2023). Although, current business context has understood the significance of work – life balance of general employee populations, little attention has been given on how business executives balance their personal and work life and how it impacts their overall job satisfaction. There are gaps in available knowledge of the means which leaders manage these areas holistically as previous literature frequently emphasize work – life balance as a dichotomy rather than a constantly evolving process.

The study understands the gaps in the existing literature. Majority of the studies on work – life balance and integration focus on employees rather than senior managers and executives. Furthermore, there is a lack of integration perspective of work – life as most of the studies emphasize the prevalent work – life balance model which assumes a division between professional and personal life (Sham et al., 2024). The integration approach which recognizes the fluidity of contemporary work structures is yet to be examined. Moreover, even if significant amount of research on general well – being is done, fewer studies has specifically looked at how work – life integration affects managers' job satisfaction and their overall efficiency as leaders. Moreover, by synthesizing the findings from various studies, this study elaborates a novel concept that flexible work arrangements unexpectedly increase business leaders' working hours, which result in lowering the overall satisfaction. By systematically analysing the existing studies, this study seeks to bridge the gaps and provide comprehensive understanding on satisfaction and overall effectiveness of business leaders

in the context of work – life integration.

This systematic literature review aims to provide valuable insights for multiple stakeholders such as policymakers, business leaders and future scholars. This study offers an understanding on major factors that influence work – life integration and its impact on satisfaction by combining the findings from previous literature. The findings will support organizational decision – makers in establishing leadership support programs and policies that encourage a much healthier work – life approach. Furthermore, this review will contribute to the scholarly discourse by addressing the existing gaps in literature and suggesting future research directions for the study of work – life integration among business leaders.

Research Objectives

- To analyse the impact of work – life integration on overall satisfaction of business leaders.
- To conceptualize work – life integration and work – life balance
- To examine the key determinants of work – life integration among business leaders.
- To assess the drawbacks of work – life integration among business leaders.

Literature review

Conceptualizing work – Life Integration vs. Work – life Balance

The concepts of work – life integration (WLI) and work – life balance (WLB) have drawn a great deal of attention since they represent the evolving demands of workers in a dynamic workplace in modern human resource management. WLB has traditionally been identified as a separation between work and personal responsibilities, highlighting the requirement of individuals to maintain clear limits between two spheres in order to gain satisfaction and well – being (Andeyo & Otuya, 2020). On the other hand WLI explores deeper into the integration of personal and professional lives, aiming for a harmonious and integrated existence that recognizes the interrelated nature of numerous aspect of life (Aditya et al., 2023). This novel approach emphasizes that strictly separating work and personal life

may result in stress and poor mental health in today's interconnected world, especially when the needs of both areas frequently collide and intensify (Wepfer et al., 2017).

Studies mention that, according to the paradigm of work – life integration employees may gain more from blending their personal and professional life into a single whole rather than attempting to strike a balance (Pitre et al., 2017). WLI promotes flexible work arrangements such as remote working, enabling people to customize their working environments to suit their unique requirements (Aditya et al., 2023). According to research, these flexible work schedules have been proved to enhance job satisfaction as they offer employees the freedom to manage their personal and professional obligations more effectively (Mohanty & Mohanty, 2014). For example, research show that employees who have the option of flexible hours report better levels of job satisfaction than those who face firm work structures which demand long-term distinctions between personal and professional domains (Ashie, 2021). Thus, current discussion on these concepts suggests a major shift in how people and business leaders view these notions, demanding an understanding of not only their definitions but also its impact on productivity, well – being and overall satisfaction (Kumar et al., 2021).

Given the continuous debate and variances between WLI and WLB, a comprehensive examination about practical implications of these concepts is necessary, particularly with regard to their implications for individual and organizations. Work – life integration approach suggests that allowing for adjustable bounds may prepare individuals and firms more effectively to manage the barriers in the contemporary working life, even though WLB is associated with enhancing job satisfactions and lowered stress levels (Bataineh, 2019). Studies suggest that the assessment of the inflexible nature of traditional WLB approach fail to address the small details of individuals personal and professional lives, resulting in rising the feeling of failure and burnout among employees who aim to achieve predetermined objectives (Carinal, 2023). However, critics contend that WLI might end up in work occupying up more personal time, increasing stress and decreasing job satisfaction. Furthermore, incorporating personal pursuits during working hours may cause distractions and impair concentration and

productivity (Valcour & Batt, 2003).

To broaden the discussion on WLI and WLB, it is critical to address existing research gaps, particularly those related to how these categories work across demographic generations and workplace environment. According to current literature, the validation of these concepts across industries such as corporate, healthcare and educational sectors may offer insights into the ways in which contextual factors alter the efficacy of WLB and WLI activities (Melnick et al., 2020). Additionally, a more thorough understanding of interpersonal dynamics, contextual factors and individual personality traits may give important insights into how workers balance their personal and professional obligations (Amah & Ogah, 2021). It is clear that a deliberate move away from universal solutions and towards flexible arrangements that prioritize individual satisfaction in the workplace is a necessity to achieve an inclusive approach which address the dynamic needs of contemporary workplace (Aditya et al., 2023).

Key Determinants of Work – Life Integration Among Business Leaders

Work – life integration is getting more attention among organizations as modern firms are looking to establish business where managers and other leaders may effectively manage the high demands of their jobs while conserving their personal well – being. In this context, existing literature has identified several key determinants that impact on business leaders' ability to achieve optimal work – life integration.

Transformational leadership is a one key determinant of work – life integration among business executives. Transformational leaders foster a supportive environment that values team work, flexibility and open communication in order to create an atmosphere that is favorable for WLI (Sulton & Suyono, 2020). Past research has demonstrated a correlation between transformational leadership and enhanced work – life integration, indication that these leaders often raise the level of job satisfaction and morale of employees (Martanto et al., 2019). Studies suggest that transformational leaders can foster an environment where WLI develops by modeling actions that promotes work – life harmony and encouraging followers to establish personal and professional boundaries (Yadav et al.,

2022). However, although transformational leadership is positively affecting WLI, there are some possible challenges and risks. One noticeable concern is the possibility of emotional fatigue brought on by the high demands made of transformational leaders. Studies reveal that these leaders often try to motivate and inspire the middle level managers, which can cause high level of stress and burnout (Wang & McChamp, 2019). Furthermore, leaders may have the risk of loosing their credibility and trustworthiness of their followers if they fail to follow through on their WLI obligations (Alzyoud et al., 2019).

Organizational support is identified as another significant determinant that influence on work – life integration of business leaders. This includes the organizational culture and leadership expectations. This organizational support consists of flexible working schedules, wellness programs and initiatives to enhance business leaders' mental and physical well – being (M. Chen et al., 2019). According to the previous analysis, firms that implement complete work – life supports strategies can improve employee satisfaction, which will eventually reduce absenteeism, turnover and boost job satisfaction (Kumar et al., 2021). Moreover, studies emphasize that leaders are more likely to successfully combining their personal and professional lives in workplaces where they feel supportive in aspects such as, time management, well – being resources and career development (Pitre et al., 2017). In spite of the positive effects to the WLI, in some situations organizational culture and expectations of business firms may affect negatively in WLI. For an example, ineffective flexible work arrangements may result in more uncertainty about the job roles and expectations which could lead to more stress levels among leaders than before (Wang & McChamp, 2019). Also, studies illustrate that in high ranked organizations where there is high performance culture may have adverse effects on leaders personal wellness by putting them under high pressure, demanding work-life balance, and possibly encouraging a culture of perpetual striving that can result in stress and burnout (Franco-Santos et al., 2022).

Furthermore, in the discussion on work – life integration, advancement of technology serves as a mixed blessing. On one hand, technology offers flexibility and connectivity to leaders, allowing them to do their jobs more

effectively in a variety of setting. And, it allows leaders to perform their tasks from anywhere, reducing stress and providing more personal time (Bulut et al., 2024). On the other hand, the broader adoption of digital technology might blur the boundaries between work and private lives of leaders because of the “always – on” culture, which results in more stress and less time away from work (Ho et al., 2023; Tiwari et al., 2024). Research suggests that leaders who are able to set clear technological limitations such as limiting after working hours emails, show grater job satisfaction (Kim & Chon, 2022).

In addition to the organizational culture and individual demands, the landscape of work – life integration is heavily influenced by external societal pressures and expectations. Studies suggest that societal traditions and cultural views on work, family and the roles of corporate leaders impact on how these business leaders negotiate their responsibilities (Shaikh & Rashidi, 2019). According to research, for business leaders, particularly in cultures where labor is highly valued, the pressure to perform professionally may hinder efforts to achieve personal satisfaction (Arun et al., 2020). Additionally, scholars have emphasized that this societal and cultural pressures may trigger conflicts between work and personal lives that goes on despite the organizational efforts to encourage balance, increasing the risks of stress and worsening mental wellness of business leaders (Buonomo et al., 2024).

Moreover, the expectations that are placed on business leaders by numerous industries may have an impact on their ability to manage work and personal obligations. Studies suggest that leaders who are in high – stake industry sectors such as, healthcare, technology and finance are dealing with greater job pressures which restrict their personal and family life activities while leaders engage in fields like consulting and education where there are flexible work standards, express greater satisfaction with work – life integration (Wayne et al., 2022). These disparities underline the importance of contextualizing WLI according to leadership roles and industry.

According to the findings of previous literature, WLI of business leaders is assessed by serious of factors that foster work – life integration while

presenting possible negative outcomes. Examining and effectively addressing these variables will create a stronger and motivated set of leaders that have the ability to handle the challenges of the modern dynamic business world.

Work – Life Integration and Job Satisfaction Among Business Leaders

Job satisfaction and work – life integration of business leaders have a complicated relationship that incorporate ideas of burnout and psychological well – being. Some studies suggest that the effects of WLI on job satisfaction become paradoxical as firms adopt to increasingly flexible work environments. Even though successful integration may enhance job satisfaction and improve psychological well – being, it can also have the opposite effects.

Psychological well – being and Burnout

Numerous studies have elaborated that inefficient work – life integration practices in organizations might lead to raised stress and burnout among business leaders (Schaufeli et al., 2008). Furthermore, according to research, an integrated strategy that respects personal time can greatly enhance life fulfillment in general by encouraging contentment and balance (Sirgy & Lee, 2017). Moreover, studies have emphasized that leaders who practice self – care and concentration claim to feel more resilient and satisfied at the work (Monroe et al., 2020).

Conversely, one major obstacle that highlighted by the studies is that not each and every one will gain benefits equally from work – life integration. For example, societal norms around domestic responsibilities make it difficult for women leaders to achieve sufficient WLI, which raises their risk of burnout (Skotnicki et al., 2024). Studies demonstrated that, these circumstances are more severe for underrepresented groups in leadership positions, which results in lowered life satisfaction and feeling of isolation (Roebuck et al., 2017).

Previous studies contend that, even though the individual coping mechanisms are vital, organizations should establish fundamental changes

in order to support the sustainable work – life integration (Fazal et al., 2022). For example, organizations that encourage leaders to take breaks, assigning work and self – care typically observed raised levels of job satisfaction and productivity (Samtharam & Baskaran, 2023).

Leadership Effectiveness and Employee Perception

The capacity of leaders to effectively integrate personal and work lives in the face of external pressure is strongly connected to their effectiveness. Effective WLI by leaders may generate a work setting that encourage job satisfaction, engagement and employee well – being (Vanessa et al., 2022). Studies have suggested that managers who effectively manage their personal and professional lives set an example for their followers as role models and promote a culture of well-being (Greenhaus & Ziegert, 2012). On the other hand, leaders' vision of their own efficacy as leaders may be harmed when they struggle with their own integration efforts, which ultimately affects their ability to assist their team members (Kermansaravi et al., 2014). Research shows that the supportive leadership practices have a favorable correlation with employee job satisfaction and retention rates, emphasizing input loop among collaborative dynamics, leader well – being and workplace culture (Secapramana et al., 2019).

Nonetheless, the contradiction that require leaders to execute in high – stakes situations while representing work – life integration can provide conflicting messages. Studies illustrate that employees view constantly connected leaders as busy, which could lead to inflated expectations and an obstacle to work – life balance of followers (Pramana & Putra, 2022). In order to ensure that leaders not only support WLI principles but also participate in them in a realistic manner, firms must work to foster openness and genuineness in leadership.

The Paradox of Work – Life Integration

Most of the studies theoretically explained that WLI allows greater flexibility, enabling leaders to combine professional and personal obligations (Ibrahim, 2015). However, some studies argue that this

integration may also raise the bar for business leaders, leaving their work more demanding (Adhikari, 2019). According to research, higher levels of WLI linked with higher level of work – related stress because of the ongoing connectivity (Bernales-Turpo et al., 2022).

Studies have found that business leaders who merge personal and professional boundaries can create a culture of constant availability and tend to work more hours than the regular working hours, may experience emotions of exhaustion and burnout (Tawfik et al., 2021). Moreover, some studies argue that rather than genuine work – life balance, leaders may view flexibility as an instrument of increasing productivity, which results leaders may impose voluntary work extensions to their current workload (Phina et al., 2022). The question of whether WLI is actually advantageous or just a way to pass off work extension as flexibility is brought up by this paradox.

Overcoming Challenges

In order to lessen the barriers for effective WLI, organizations can consider numerous tactics that promote a more positive workplace culture and enhance job satisfaction among leaders and their teams. Past literature suggest that leaders may manage their psychological wellness by defining clear boundaries, having open discussions about their demands relating to work – life balance, and making mental health resources available (Jaysan et al., 2024). Training programs for emotional resilience combining with organizational initiatives to raise mental health awareness may inspire leaders and facilitate the successful blending of personal and professional obligations (Fritz & Knippenberg, 2017). Moreover, providing tailored, flexible work schedules may increase the level of satisfaction and lessen the degree of stress associated with the job (Lestari, 2021).

Methodology

The methodology of this study is systematic literature review that uses a sample of 60 most pertinent publications published from 2000 - 2024 on the impact of work – life integration on the satisfaction among business leaders. The sample of publications are critically appraised and synthesized quantitative findings.

Results and discussion

This systematic literature review seeks to examine the relationship between work – life integration and satisfaction among business leaders in the contemporary business environment. The analysis has found a variety of multifaceted findings from existing literature highlighting the correlation between WLI and job satisfaction underlining the key determinants and how WLI impacts on the leaders' job satisfaction.

The analysis starts with conceptualizing the concepts of work – life integration and work – life balance. According to the findings from the studies, work – life balance is defined as an attempt to distinguish and strike a balance between work and personal life. On the other hand, work – life integration is identified as a novel approach that blends the personal life of employees with the professional life (Izzaty et al., 2025). Work – life integration often tends to emphasize flexibility and achieving balance between work and personal obligations.

The study identifies key determinant that influence on work – life integration among business leaders from previous research. According to the findings, corporate culture has become an important aspect of how well business leaders manage their personal and professional lives. In today's business world, work – life integration is facilitated with by companies with flexible policies such as remote work and wellness programs (Sabharwal, 2023). However, studies emphasize that work-centric environments created by high-performance cultures that need constant availability make it challenging for leaders to preserve their personal wellbeing.

Furthermore, digital technology is identified as both a driver and an obstacle for work – life integration among leaders. Research emphasizes that digital platforms allow business leaders with greater flexibility over their work schedules and reduce the time of engagement in work (Nam, 2013). However, literature also suggest that continuous connectivity has also given a way to a condition known as digital presenteeism in which executives feel pressured of being always reachable (Cooper & Lu, 2016). Studies mentioned that as a solution for these issues, leaders are setting their own boundaries for technology usage, and it has proved that those leaders show

a greater level of satisfaction than others.

The findings suggest that there is a strong correlation between WLI and job satisfaction, several studies emphasize that leaders who manage their personal and professional lives show a high level of satisfaction. Additionally, individuals who possess a balanced work – life ratio show raised performance and fulfillment at work (Soomro et al., 2018). This confirms past findings that a strong WLI can act as a crucial mediator between staff dedication and organizational support (Siagian et al., 2024).

Despite of enhancing job satisfaction by work – life integration, it has also raised issues regarding psychological wellness and burnout risks. According to the findings, leaders may unknowingly increase job intensification, which can result in burnout as they try to balance personal and professional lives together. For instance, the degree of stress and workplace fulfillment may negatively affected by high demanding work situations, particularly in industries where there are high expectations and demands (Stefanovska–Petkovska et al., 2019). Furthermore, according to Liu et al. (2019), work-family contradictions can have a negative impacts on life satisfaction since it frequently results in strained family connections, which further impairs psychological well-being (Liu et al., 2019).

Moreover, numerous studies have mentioned that the relationship between work – life integration and leadership effectiveness as a crucial phenomenon. According to the findings, effective leaders that demand WLI highly have been shown to improve job satisfaction and promote favorable employee perceptions. However, it is mentioned that leaders are in danger of weakening their teams' confidence and enthusiasm if they do not truly demonstrate these behaviors.

According to the findings from the studies, because of the WLI paradox, employees may encounter higher levels of stress and pressure at work while attempting to integrate, which might reverse the advantages of perceived job satisfaction (Agha et al., 2017). The study by Jaysan et al. supports this by revealing that leaders who manage their work and personal lives show high level of satisfaction, but such balance in work and life is hindered by high levels of job stress (Jaysan et al., 2024).

Conclusion and recommendations

This systematic literature review highlights the complex nature of the work – life integration among business leaders. Work – life integration offers great level of flexibility for business leaders but there are negative aspects as well, including role strain, higher work intensity and digital overconnectivity. The results show that a number of significant elements, such as organizational culture, technology limitations, and industry-specific requirements, are necessary for successful integration.

Organizational support plays a crucial role as business leaders who engage in encouraging workplaces with flexible schedules and well – being show greater level of satisfaction. However, the always on culture causes tiredness and hinders the effectiveness of business leaders. Additionally, although technological platforms make life easier for leaders with flexibility, it has also made leaders difficult to take a break from work and engage in personal activities. Moreover, the feasibility of work-life integration is also impacted by industry-specific issues, with executives in high-stakes businesses encountering greater hurdles than those in flexible ones.

A paradoxical situation in work – life integration is also illustrated by this review, that even though WLI is supposed to enhance the satisfaction levels, it may unintentionally lead to higher workloads. The anticipated benefits of integration are diminished when leaders who believe they have control over their schedules put in more hours. Furthermore, while proper work – life integration fosters a supportive organizational culture and leadership efficacy, over – connectedness may heighten employee expectations and reinforce work – centric norms.

The study aims to provide recommendations for policymakers, organizations, business leaders and future scholars. Business leaders are recommended to set limits on technology usage such as emails and video conferences platforms after working hours to prevent digital burnout. Also, their well – being and job satisfaction can be enhanced by practicing mindfulness, exercising and scheduling their personal time. Furthermore, business leader should encourage employees to incorporate work – life

integration practices by demonstrating similar practices effectively. Additionally, policymakers are recommended to actively promote work - life integration through provision of flexible work schedules, wellness initiatives and policies and regulations related to digital disconnection. Also, organizations need to provide leadership training through workshops and coaching programs on work – life integration in order to assist leaders in managing their professional and personal obligations. Finally, academics are provided with important insights to conduct future research on effects of work – life integration on long term leadership satisfaction and how it evolves over time. Additionally, research should be investigated on gender – specific analysis of work – life integration and how it affects on male and female leaders differently and find solutions to their specific demands.

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DETERMINANTS OF SOCIAL SUSTAINABILITY IN MICROFINANCE GROUPS IN RURAL SRI LANKA: A QUALITATIVE STUDY ON THE ROLE OF TRUST AND COOPERATION, CONFLICT MANAGEMENT, GROUP FUNCTIONING, AND SOCIAL NETWORKS

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ABSTRACT

Microfinance has emerged as a crucial mechanism for sustainable development, socially, economically, and environmentally, particularly in rural contexts of developing countries. While the economic sustainability of microfinance groups has been studied comprehensively, social sustainability, particularly in rural Sri Lanka, remains underexplored. This study examines the dynamics of group interactions and their role in sustainability to recognize the key determinants of social sustainability in microfinance groups in rural Sri Lanka. It focuses on social and economic inclusion, leadership empowerment, and community well-being. Additionally, the study reveals the role of leadership, trust, and conflict resolution in sustaining groups. Sixteen interviews were conducted with leaders of microfinance groups in rural areas of the Anuradhapura district in Sri Lanka. The interviews employed a qualitative approach, utilizing a pre-tested interview guide and face-to-face interviews, a purposive sampling method, descriptive analysis, and in-depth thematic analysis while preserving the research ethics. The findings

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of the study revealed that trust and cooperation, conflict management, group functioning, and the impact of social networks on microfinance groups significantly influence the social sustainability of these groups in rural Sri Lanka, enhancing social capital and cohesion, leadership empowerment, socio-cultural context, economic inclusion, and community well-being. Furthermore, this study highlights the importance of adopting a comprehensive and holistic approach to enhancing socio-cultural and economic inclusion through microfinance in rural Sri Lanka. The social sustainability of microfinance groups leads to overall sustainability through community-based growth and development, poverty reduction, and prominent financial inclusion.

Keywords: *Conflict Management, Group Functioning, Microfinance, Social Sustainability, Social Networks, Trust and Cooperation, Sri Lanka*

Introduction

Microfinance is defined as ‘the provision of financial services to low-income people by the Consultative Group to Assist the Poor’ (Central Bank of Sri Lanka, 2025). It serves as a bridge for low-income households to achieve financial inclusion; its products, such as loans, savings, and insurance, inspire more people to become incorporated into the financial system (Adeola & Evans, 2017; Woolcock, 2001). Muhammad Yunus introduced a microfinance development model that involved straightforward engagement with low-income level communities and the development of microeconomic concepts through the Grameen Bank project (Yunus, 2004). Microfinance has emerged as a critical mechanism for sustainable development (three dimensions: social, economic, and environmental sustainability), especially in rural contexts in developing countries. Sustainability, a process that enables the creation of a high-quality life and a passionate economy while respecting the need to preserve the environment and sustain natural resources, demonstrates the principle that future generations should live in a world that the present generation has enjoyed but not diminished (Clough et al., 2006).

Sustainable development is defined as ‘meeting the needs of the present without compromising the ability of future generations to meet their own needs’ (Brundtland, 1985), whereas *Social sustainability* is the ‘managing

and specifying both positive and negative effects of activities, processes, systems, and organizations on social life and people' (Balaman, 2019). Vallance et al. (2011) identified three social sustainability types: (1) development sustainability, which addresses inequity and poverty; (2) bridge sustainability, which concerns the changes in behavior to acquire bio-physical environmental goals; and (3) maintenance sustainability, which aims to preserve the socio-cultural practices and patterns in the changes of social and economic contexts. Microfinance has the potential to boost sustainable development and enhance livelihoods through promoting entrepreneurship and financial inclusion. Adeola and Evans (2017) emphasize that a collection of long-run relationships intertwines financial inclusion and microfinance, leading to social sustainability through economic empowerment enhancement driven by microfinance. There, microfinance has a statistically significant and positive impact on financial inclusion levels in the long run.

Additionally, as a social dimension of sustainability, social capital a combination of social norms, networks, and trustworthiness leads to the stability of microfinance groups (Postelnicu & Hermes, 2018). The findings of this study will guide microfinance institutions, rural development officers, and policymakers in developing interventions that strengthen leadership, social cohesion, and inclusivity in microfinance initiatives. Stakeholders in rural Sri Lanka can achieve success in microfinance groups by developing strategies for enhancing resilience and understanding opportunities and threats related to social sustainability. Furthermore, integrating social sustainability principles with microfinance contributes to economic and environmental sustainability as well as community empowerment and social well-being. By making the social capital and internal group dynamics explicit, the stakeholders would be able to perform to both safeguard sufficient economic sustainability and social embeddedness of the microfinance interventions.

The economic sustainability of microfinance groups has been studied comprehensively; however, social sustainability remains underexplored, especially in the rural Sri Lankan context. Although microfinance has many

potential benefits, sustaining microfinance groups in the long run has been identified as a critical challenge. Most scholars argue that many microfinance groups become unsuccessful after a few years due to socio-cultural constraints, economic stress, lack of leadership and trust, and internal conflicts. Therefore, identifying and exploring social sustainability is critical since community-based microfinance initiatives play a crucial role in poverty reduction, especially in Sri Lanka, which has been a developing country for decades. Accordingly, this study aims to fill the current research gap by investigating the key determinants of the social sustainability of microfinance groups in rural Sri Lanka. It focuses on social dimensions, including social cohesion and structure, leadership and empowerment, socio-cultural context, economic inclusion, and community well-being that affect the sustainability of microfinance groups.

The exploration of social dimensions, such as group cohesion and trust, social capital, leadership and participation, equity inclusion, education and capacity building, social norms and cultural influences, gender roles, economic inclusion, and community well-being, shape the microfinance groups successfully with a holistic approach by understanding the significance of social sustainability in rural Sri Lanka. This study aims to identify the key determinants of social sustainability in microfinance groups in rural Sri Lanka by concentrating on social cohesion and structure, leadership and empowerment, sociocultural context, economic inclusion, and community well-being to explore the dynamics of group interactions and their role in sustainability and to assess the role of leadership, trust, and conflict resolution in sustaining groups. The methodology implies development of situation-related, direct approach to the enhancement and endurance by means of intensifying action through the visioning of situation-related action plans and adjustment toward considering unique social and cultural conditions of rural Sri Lanka.

The rest of the paper is structured as follows: Section 2 presents a literature review section. Section 3 explains the methodology, which is the quantitative study approach of the research design, including data collection

procedures, participant selection processes, and the analytical strategy used to investigate research questions. Section 4 contains the Results and discussion. Section 5 provides the conclusion.

Literature Review

Social sustainability involves focusing on the well-being of communities and individuals by promoting equity, human rights, and access to education and healthcare. This study examines the social dimensions that impact the sustainability of microfinance groups. The concept of social sustainability in microfinance has been investigated by several scholars, focusing on determinants such as social cohesion and trust, social capital, leadership and participation, equity and inclusion, education and capacity building, social norms and cultural influences, cultural sustainability, gender roles, economic inclusion, and community well-being. Microfinance groups encourage entrepreneurship, foster socio-economic growth, and give access to financial resources. With this comprehensive social alignment of microfinance, microfinance institutions can not only promote the livelihoods of individuals but the development of strong and inclusive communities that support long-term development.

Social cohesion and structure, including group cohesion, trust, and social capital, have a significant impact on the social sustainability of microfinance groups in rural Sri Lanka. Social capital (functions as a combination of social norms, networks, and trustworthiness) formation leads to the stability of microfinance groups by substituting the lack of physical collateral with their social collateral (Postelnicu & Hermes, 2018; Woolcock, 2001). On the other hand, social cohesion provides social protection, enabling microfinance groups to access business loans from MFIs, thereby facilitating the development and survival of their businesses (Bongomin et al., 2020). The extent and nature of social networks within and between component sectors or groups are significant variables that shape developmental performance. The extent of integration of people with low incomes into the formal economy has been a crucial measure of the success of microenterprise programs (Woolcock, 2001; Niranjala et al.,

2024a). Poverty, which diminishes social sustainability, is significantly and negatively affected by social trust (Gereke et al., 2018). The strong and potential social networks within community-based organizations contribute to livelihood success in the Sri Lankan context (Gunasekara et al., 2017; Niranjala et al., 204b).

Scholars emphasize the importance of social cohesion and structure in enhancing the effectiveness of microfinance. For example, Firdaus (2020) connects microfinance sustainability and cultural norms through social capital enhancement, while Bongomin et al. (2020) highlight that social cohesion has a positive and significant impact on the relationship between the survival of women MSMEs and microfinance accessibility in post-war communities, which, in turn, significantly influences the survival of women MSMEs. Zainuddin and Yasin (2019) emphasize that national culture (four dimensions: power distance, uncertainty avoidance, individualism, and masculinity) significantly affects MFI performance.

Effective and efficient leadership and empowerment are crucial for ensuring the social sustainability of microfinance groups in rural contexts. Leadership enhances group performance and cohesion by facilitating equity inclusion, active participation, and capacity building. Leadership styles significantly impact the microfinance performance of MFIs, emphasizing leadership roles in problem-solving, effective and quick decision-making, and guiding group objectives (Kariuki & Wachira, 2017; Sumanapala et al., 2025a). Strong leadership demonstrated the positive impact of social sustainability through equitable resource allocation and the promotion of inclusivity. Non-financial innovations such as education are crucial for integrating with microfinance, which empowers members by enhancing their knowledge through capacity building and improving self-reliance and decision-making (Hadi et al., 2015; Sumanapala et al., 2024b). It is not only about individual empowerment but also about building the overall strength of the group by contributing to long-term sustainability. Furthermore, Pretes (2002) highlights the significance of the micro equity concept, which involves equity grants to microfinance group members, leading to active participation and a greater commitment to the sustainability of microfinance groups the Village Enterprise Fund (VEF) in Kenya, Uganda, and Tanzania

are a few examples.

The socio-cultural context, as in rural Sri Lanka, has a significant effect on the social sustainability of microfinance groups. Firdaus (2020) emphasizes that cultural norms and structures brighten the operational dynamics and collaborative behaviors of microfinance groups. The consistency of ethnographic accounts of the effect of microcredit projects on low-income level households access to loan facilities that lead to various outcomes such as welfare depending on fundamental conditions and decision-making of households and emphasize gender roles and social hierarchies' challenges; for example, women borrowers may experience a decline in welfare (Hudon, 2008; Ngo & Wahhaj, 2012). Cultural sustainability is a crucial component for conserving critical characteristics of community well-being. Gender diversity is significant in terms of efficiency and group success; for example, some scholars argue that women's contributions are behind in every success (Ebissa & Asfaw, 2024). Group participation and microfinance enhance social capital and collective empowerment of women against cultural barriers (Sanyal, 2009). Garikipati et al. (2017) identified rigid socio-cultural structures and gender discrimination as barriers in the microfinance sector that critically affect gender equality and empowerment.

The economic inclusion of microfinance in the rural Sri Lankan context has a critical impact on the social sustainability of microfinance groups. Cull and Morduch (2018) emphasize the role of microfinance in enhancing financial access and economic development for low-income communities. Adeola and Evans (2017) highlight that a collection of long-run relationships merges financial inclusion and microfinance. Microfinance has a statistically significant and positive long-term effect on financial inclusion levels but a positive and insignificant impact in the short run. They further emphasize the significance of financial inclusion by providing evidence from Nigeria on the enhancement of economic empowerment driven by microfinance, which leads to social sustainability. Brown et al. (2016) reveal that commercial microfinance banks make a significant contribution to the financial inclusion and sustainability of low-income households. Financial inclusion enhancement leads to economic

development and strong economic resilience of microfinance groups in frontier markets and emerging markets.

As a key determinant of the social sustainability of microfinance groups, community well-being has a wide effect on social equity, education, and health. Microfinance contributes to community welfare beyond its economic consequences while facilitating collaborative responsibility and a sense of identity. Duvendack et al. (2011) examined the evidence on the effect of microfinance on the well-being of low-income communities. They revealed that microfinance has a statistically insignificant impact on well-being results measured even though there are significant and positive impacts on variables (such as activities of business and borrowing). Rahman et al. (2015) demonstrated the role of sustainability of Islamic microfinance institutions through community development, identified commitment and time as key drivers to build a sustainable microfinance operation, and revealed that the Islamic microfinance community includes product innovation, strong drive for sources and membership of funds, technology enhancement, financial literacy, education, and spiritual development. Sestito (2023) revealed how conflict affects social identification and cohesion and identified that conflict has a positive effect on ethnic identification and community engagement. Therefore, reducing conflicts will ensure community well-being.

These studies collaboratively emphasize that social cohesion and structure, leadership and empowerment, socio-cultural context, economic inclusion, and community well-being are the key determinants of the social sustainability of microfinance groups. The case studies demonstrate how microfinance strengthens social sustainability, particularly in rural contexts. Research on social sustainability and microfinance is extensive, but qualitative studies on the experiences of microfinance groups are lacking. Only a few research studies have focused on the socio-cultural dynamics of microfinance in the rural Sri Lankan context, examining the intersection of community well-being, leadership, gender roles, and cultural norms within microfinance groups. This study aims to address the identified research gaps by exploring live experiences and group interaction dynamics and assessing

the roles of leadership, trust, and conflict resolution in microfinance groups to identify the determinants of social sustainability.

Methodology

The study employs a qualitative approach, utilizing primary data and focusing on case studies to explore the key factors that influence the social sustainability of microfinance groups in rural Sri Lanka. Qualitative research enables a vast area of study to be condensed into a simple, manageable, and single topic, offering an exhaustive understanding of a specific circumstance or problem (Mohajan, 2018). There has been a careful consideration of the failure or inadequacy of microfinance groups, especially in rural Sri Lanka, to generate expected developments recently, which has led to excessive criticism of these programs. Consequently, it is vital to understand the reality of this circumstance. Accordingly, this study conducted 16 interviews with leaders in microfinance groups in the rural areas of the Anuradhapura district, Sri Lanka, marking the data saturation point for the issue under investigation. Individuals were chosen as the units of analysis. The ideal sample size for qualitative studies that utilize empirical data ranges from 9 to 17 individual interviews or 4 to 8 focus group discussions (Hennink & Kaiser, 2022).

This study used a pre-tested interview guide and face-to-face interviews with an average duration of 30 to 45 minutes to perform the series of key informant interviews with respondents beyond the common interview technique as the data collection method while using a purposive sampling method to select the research sample from microfinance groups as the sampling technique by ensuring both success and fail sample inclusion. Most questions in the interview guide were open-ended questions to help identify the social dimensions of the social sustainability of microfinance groups. The interview guide consists of two sections: Section 1 covers the demographic factors of respondents, and Section 2 tests the determinants of social sustainability in microfinance groups in rural Sri Lanka. This research employed descriptive analysis and in-depth thematic analysis as data analysis methods. The data were collected collaboratively with the

respondents while preserving the research ethics.

Results and Discussion

The Results and Discussion section is organized into two key components: the first presents the socio-demographic characteristics of the participants, while the second explores the key determinants contributing to the social sustainability of microfinance groups.

Socio-demographic Profile of Microfinance Groups

This section presents the socio-demographic profile of the microfinance groups that participated in the study. Understanding these characteristics is essential to contextualize their financial behavior and sustainability.

Table 1: Socio-demographic Profile of Microfinance Groups

Case	Member ship Duratio n	Num ber of Mem bers	Membership Criteria	Status	Current Occupation	Level of Formal Educati on	Main Source of Income
C1	> 5 years	15	Financial		Small Businessman	Seconda ry	Small Business
C2	> 5 years	17	Financial		Small Businessman	Primary	Small Business
C3	> 5 years	15	Financial		Small Businessman	Seconda ry	Small Business
C4	> 5 years	21	Financial		Small Businessman	Seconda ry	Small Business
C5	3 to 5 years	6	Financial		Small Businessman	Seconda ry	Other
C6	> 5 years	6	Financial		Small Businessman	Primary	Small Business
C7	> 5 years	10	Financial & Social		Small Businessman	Seconda ry	Small Business

C8	> 5 years	6	Financial & Government	Small Businessman	Primary	Small Business
C9	> 5 years	18	Financial & Government	Other	Secondary	Foreign Remittance
C10	> 5 years	27	Financial	Small Businessman	Secondary	Other
C11	> 5 years	9	Financial & Government	Farmer	Secondary	Agriculture
C12	> 5 years	5	Other	Farmer	Secondary	Agriculture
C13	> 5 years	5	Financial & Other	Farmer	Secondary	Agriculture
C14	> 5 years	5	Financial, Random, & Other	Farmer	Secondary	Agriculture
C15	> 5 years	5	Other	Farmer	High school	Agriculture
C16	3 to 5 years	5	Financial	Farmer	Secondary	Agriculture

Source: Field Data, 2024

The socio-demographic profile of microfinance groups (Table 1), as reported by the group leaders in rural Sri Lanka, illustrates several key characteristics. Table 1 shows that the majority of microfinance groups have been operating for over five years, indicating that high operating years lead to high stability of microfinance groups. The membership of most microfinance groups ranges from 05 to 27 members; in some groups, the number of members equals 05 (C14). The collected data demonstrate that the minimum membership number should be at least five to build a stable and prosperous microfinance group. A significant proportion of microfinance groups (n=14) used financial status (income level and financial needs) as the membership criteria. In addition to financial status, C7 considered social status (social status and community influence); C8, C9, and C11 have used government status (by a government mandate); C13 is a Samurdhi beneficiary, and C14 is considered random selection,

mandatory annual membership fee and mandatory regulation: number of members should be equal to 5. However, C12 and C15 did not consider the members' financial status when selecting members for their microfinance group. Their selection criteria were based on being a Samurdhi beneficiary and having the repaying trust of the members, respectively.

Data on membership criteria status demonstrate that, beyond income level and financial needs, social status and community influence, compliance with public administrative rules and regulations, agreement to the microfinance groups' rules and regulations, and mutual trust are equally important to building a sustainable microfinance group. The current occupations of the group leaders fall between those of farmers ($n = 6$) and small businessmen ($n = 9$), except for C9. The majority of respondents are small business owners. The formal education level of the respondents ranges from primary ($n = 3$) to secondary education ($n = 12$), except for C15. The highest formal education level among the respondents is high school. It suggests that people with a medium level of formal education tend to join microfinance groups to improve their financial status and sustain their households and the overall economy. The primary source of income lies in between agriculture ($n = 6$) and small businesses ($n = 7$), except for C5, C9, and C10, indicating that the majority of the microfinance group leaders depend on their small businesses.

Based on the socio-demographic profile of microfinance groups, the significance of microfinance lies in facilitating financial support to enhance small businesses and the agricultural sector in rural Sri Lanka while fostering social sustainability among microfinance groups and within their social context. As seen via a micro-level perspective, such assistance has been used to increase household earning levels, and economic strength, at the same time as strengthening community bonds through the action of group responsibility and common involvement.

Determinants of Social Sustainability of Microfinance Groups

This study reveals that key determinants of social sustainability among microfinance groups enhance the performance of the small business and agricultural sectors while fostering social status among the microfinance

groups in the rural context and contributing to the country’s economic stability. This study examines how these key determinants relate to and enhance the social sustainability of microfinance groups. According to Table 2 presents a structured summary of the qualitative data collected during the study, organized under four main themes and each theme is broken down into key categories, which are further illustrated by specific free codes direct ideas from the participants.

Table 2: Overview of Data Structure

Theme	Category	Free Codes
Trust and Cooperation	Trust within the group members	Select members by considering their trust and past good behaviors
		No cheaters in groups
	Help and support each other	Strong unity with members in daily activities
		Other members help with money in an emergency
Conflict Management	Collaborative decision making	Helping each other
		Solve problems as a team
	Social relations	Discuss with group members
Functioning of the Group	Culture and religion	Relatives/ neighbors and friends
		No cultural and religion differences
	Gender	All belong to the same cultural and religion
		All of the members are females
Influence of Social Networks	Relatives/ neighbors/ Friends	Most of us are female
		Better involve trusted people
	Relationship between the members	Money transactions with Relatives/ neighbors/ Friends cannot be maintained properly
		With relatives cannot maintained properly
		Relationships make difficulties in group management

Source: Field Data, 2024

Considering the social dimensions that affect the sustainability of microcredit groups, the key findings (Table 3) present the patterns observed during the 16 case studies. Four themes could be identified in the social sustainability of microcredit groups: Trust and Cooperation, Conflict Management, Functioning of the Group, Influence of Social Networks.

Table 3: Key Findings – Key Determinants of Social Sustainability of Microfinance Groups

Thematic Areas	C 1	C 2	C 3	C 4	C 5	C 6	C 7	C 8	C 9	C 10	C 11	C 12	C 13	C 14	C 15	C 16
Trust and Cooperation	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Conflict Management	*	*	*	*	*	*	*		*		*				*	*
Functioning of the Group	*	*		*		*		*		*	*	*	*	*	*	*
Influence of Social Networks				*	*	*		*	*	*		*	*	*		*

Source: Field Data, 2024

This section encompasses four key themes based on the key determinants supported by specific examples and respondents’ quotes to provide a broad understanding of the social sustainability of microfinance groups in rural Sri Lanka.

Trust and Cooperation

Trust and cooperation are two main dimensions of social capital. Social capital is identified as a combination of social norms, networks, and trustworthiness (Postelnicu & Hermes, 2018). According to Sanyal (2009), group participation and cooperation within microfinance groups enhance social capital and collective empowerment in the face of cultural barriers. Social capital formation leads to group stability of microfinance by substituting the lack of physical collateral with social collateral (Postelnicu

& Hermes, 2018). Gereke et al. (2018) emphasized that poverty is negatively and significantly affected social trust. It represents the idea that poverty, which diminishes social sustainability, increases social distrust and vice versa.

All cases reveal how trust and cooperation contribute to social sustainability. C1, C3, C8, and C12 emphasized the positive impact of trust and cooperation to represent variation among various perceptions. “There is good trust among the group members. In some cases, if someone is unable to pay the loan installment, the members of the group join together and pay the installment until it is paid later, as a help” (C1), and “There is good trust and cooperation among the group members.” (C3) demonstrates how trust and cooperation sustain and continue the stable existence of microfinance groups. Further, “If even one member is unable to pay the installment, the installments of the other members of the group are collected and divided into four and pay all members’ installments; it will be settled after receiving money from the non-paid member. Such a trust can be seen within the group members” (C8). “No issues were reported in our group; we are united, and there is good cooperation among group members. The important factor is the trust. We need to give assurance to take a loan to the member; otherwise, he or she cannot take the loan.” (C12) establishes that trust between each group member is crucial to ensure timely microfinance loan repayments and decrease the risk of defaults, while cooperation enables mutual collaboration, cooperative problem-solving, and the exchange of indigenous knowledge for sustainable microfinance group creation.

On the other hand, some cases, such as C4, C6, C9, and C15, demonstrate the opposite idea, while the majority of cases show the positive and significant effects of trust and cooperation. For example, “Someone comes and asks me a loan. So, I trust her and help her. If she does not want to keep that trust, there will be a problem. The loan installment should be paid properly as promised” (C4), and “If there is a lot of support and trust in the team, they will go well, and it is the members of untrusted groups who do not pay the loan installments” (C9). Trust and cooperation highlight that these determinants enhance the resilience of microfinance groups by

empowering the members with new economic opportunities while building long-term social sustainability.

Conflict Management

Effective conflict management is critical in the social sustainability of microfinance groups in rural Sri Lanka. Sestito (2023) revealed how conflict affects social identification, cohesion, and community well-being and described how conflict can positively affect ethnic identification and community engagement. Therefore, effective conflict management is essential for community well-being. Inaccurate conflict management, arising from inequity, micromanagement, and financial disputes, can undermine group sustainability and active participation, ultimately leading to disbanding. “No Conflicts have arisen in our group yet. All members do their responsibilities well” (C2). “There are no problems within the group; the three members take the loan together and then they pay the installment on the relevant date anyway” (C3) and “There have been no problems within the group because all members are very friendly with me so that we can talk and solve any problem.” (C11) indicates that well-structured conflict management strategy which strengthens by trust and cooperation, and collaborative decision-making process can establish long-term group stability, reinforce team bond, and enables transparency.

Conversely, “There have been no such conflicts within the team. If such a conflict occurs, the higher officials of the relevant institutions will be informed” (C6), and “No such conflicts have arisen within the group. If there is a conflict, the chairman will resolve it.” (C15) illustrates the lack of conflict management, despite the groups having some conflict management procedures, while C1 and C7 remained silent about conflict management. Microfinance groups can promote social harmony by developing equitable conflict management mechanisms and well-mannered communication to ensure stable community well-being and financial empowerment within the groups.

Functioning of the Group

Characteristics such as group participation, cultural sustainability, social capital formation, cultural norms and structures, social cohesion, community well-being, proper socio-cultural structures, and gender diversity are essential components for sustaining group functioning. Group participation and microfinance promote social capital and collective empowerment against cultural barriers (Sanyal, 2009). Social capital formation leads to the stability of microfinance groups by substituting less physical collateral with their social collateral (Postelnicu & Hermes, 2018; Woolcock, 2001). Furthermore, national culture has a significant impact on microfinance performance (Zainuddin & Yasin, 2019). Firdaus (2020) emphasizes that cultural norms and structures brighten the operational dynamics and collaborative behaviors of microfinance groups through social capital enhancement, while Bongomin et al. (2020) highlight that social cohesion positively and significantly affects the relationship between survival of Micro, Small, and Medium-sized Enterprises and microfinance accessibility and its significant effect on survival of MSMEs. Gender diversity is critical in group development and efficiency; for example, some scholars argue that women's contributions are behind every success (Ebissa & Asfaw, 2024).

However, Garikipati et al. (2017) identified rigid socio-cultural structures and gender discrimination as barriers in the microfinance sector that critically affect gender equality and empowerment. Some cases such as C1, C2, C4, C6, C11, C15, and C16 emphasize that the cultural and gender diversities of microfinance groups positively and significantly affect on functioning of group and decision-making process not only having those diversities: "Our group has members from different social cultures, Buddhists, Christians, Muslims. Cultural and social factors have not become a problem while running the team. The team has both males and females" (C8) but also without any diversities: "The team members all belong to the same culture. No problems were created because of the culture and dynamics. All members are females" (C6). "No deviation from our

members' cultural norms and values impacts the functioning of our micro-credit group. There is no evidence for group dynamics and cultural practices or beliefs that influence decision-making. No gender will influence group operations both males and females can join our small group. However, the majority joined are females." (C14) demonstrates that it excludes rigid socio-cultural structures and gender discrimination and emphasizes the value creation of social sustainability in group functioning. Still, cases such as C10 have no idea about the functioning of groups: "Everyone is Buddhist. All members are women." (C10) experiences: "We have not faced any experiences like this, no differences in religions and culture, because we all are in the same group" (C12).

Leadership and economic inclusion are essential for sustainable group functioning. Kariuki and Wachira (2017) revealed that leadership styles have a significant impact on microfinance performance and emphasize the importance of leadership roles in solving problems, effective and fast decision-making, and guiding group objectives. "We select our members by considering their trust and past good behaviors; we work as a team, we always help our team members, and we are unity for special activities of our home and agriculture activities" (C13), and "Leadership has a great responsibility. But I don't feel it so serious when dealing very friendly with our members." (C11) indicates the significance of leadership and empowerment: "There have been no such conflicts within the team. If such a conflict occurs, the higher officials of the relevant institutions will be informed." (C6) represents the lack of leadership within the microfinance group. Commercial microfinance banks significantly contribute to financial inclusion in low-income households' sustainability, and financial inclusion enhancement leads to economic development and strong economic resilience of microfinance groups (Brown et al., 2016). "Money transactions with relatives cannot be maintained properly." "When relatives and friends are members, problems arise in the team. If there are members who do not pay loan installments, there is no way to blame them, and then the friendship will be lost," and (C4) revealed the importance of economic inclusion.

The absence of transparency, leadership, empowerment, and weak internal

management strategies will lead to the collapse of microfinance groups. However, active member engagement in collaborative decision-making, problem management, and loan repayments will empower the group with social capital and continuous existence. Effective group dynamics also improve long-term resilience and collaboration. This study reveals that social cohesion and economic stability encourages sustained livelihoods and empowers rural households by allowing them to operate within well-structured microfinance groups. It is important to emphasize that sustainability of the microfinance organizations in Sri Lanka can be based on the three interrelated pillars i.e., transparent leadership, participatory involvement, and strong internal management. The combination of these pillars enables the generation of social capital, the reinforcement of group resiliency as well as the process of long term economic and social empowerment.

Influence of Social Networks

A social network is another sub-component of social capital, as it functions as a combination of social norms, networks, and trustworthiness (Postelnicu & Hermes, 2018; Woolcock, 2001). Its formation contributes to the stability of microfinance groups. The extent and nature of social networks within and between component groups are fundamental variables that shape the performance of development, and the extent of integration of low-income people into the formal economy has been a crucial measure of the success of microfinance programs (Woolcock, 2001). Further, the strong and potential social networks within community-based organizations contribute to livelihood success in the Sri Lankan context (Gunasekara et al., 2018). Genuine and strong social bonds between members encourage collaborative responsibilities with trust and cooperation, which positively impact the functioning of groups, ensuring high loan repayment rates and enhancing long-term feasibility. This study reveals diverse perceptions regarding the influence of social networks.

In social networks, the same factors can have different effects on different groups, given their social characteristics and dynamic nature. For example,

some cases emphasize that the members being the relatives and friends will ensure the survival and performance of microfinance groups: “It is easy to deal with relatives and friends because there is trust. When we have to deal with people we don’t know, problems can arise, and strong words can be exchanged and scolded. Such problems do not arise with relatives” (C10). However, some reject it because “the presence of relatives in the group creates difficulties for me in the management. Because of their friendship with me, they defaulted on loan installments, which made me face so many problems. Problems will arise when the same family members come to the team. If they miss the loan installments, we cannot force or pressure them for payments” (C7), and “It is better to involve trusted people who are not relatives or friends in the group. Even if we see a mistake of the other person in the group, we can say it to him without any problem because we have no close relationship. If the group members are the same family, the guarantor cannot pressure the borrower to pay the loan, even if he has not paid.” (C8). These cases demonstrate that social networks can have both positive and negative effects on the social sustainability of microfinance groups, depending on the nature of the members and groups.

In some cases, such as C12, C13, and C14, the influence of social networks on their groups is highly valued for ensuring the day-to-day process of microfinance growth, both collectively and individually: “Yes, good relationship with the team will positively impact our day-to-day activities and no negative impact reported yet” (C12). Some cases illustrate high social networks bring obstacles to group sustainability: “When the friendships of the group increase, obstacles can occur. There was a person who was running a business. She had some problems, was sick, and could not pay the loan installments. This created a problematic situation. After that, she decided to pay the loan with her husband’s salary. The institute stopped giving her loans” (C3). “Problems arise when the friendship and relationship increase between the members because of the friendship. Once I signed as a guarantee for a loan. That person took the loan and gave it to another friend without informing us, and then they did not pay the loan, and many problems arose” (C5). Nevertheless, additional social pressure can lead to financial stress and elimination, and a community-based support

system leads to reduced risk by diminishing financial stress, equipping Indigenous safety nets, and fostering entrepreneurial development. Thus, a well-performing social network ensures the inclusivity, resilience, and long-term social sustainability of microfinance groups in Sri Lanka.

According to the results, trust and cooperation are crucial components of the social sustainability of microfinance groups as they collaboratively contribute to fostering strong connections, coordinated responsibilities, and financial stability within the microfinance groups. For example, Firdaus (2020) connects microfinance sustainability and cultural norms through social capital enhancement. In addition, Bongomin et al. (2020) highlight that social cohesion positively and significantly affects the relationship between the survival of Micro, Small, and Medium-sized Enterprises and microfinance accessibility, and it has a significant effect on the survival of MSMEs. Trust and cooperation are crucial for the sustainability of microfinance groups, fostering social bonds, accountability, and collective responsibility. They enable informal mechanisms like pooled repayment support and peer monitoring, reducing default risk and enhancing financial stability. Taken together, the results fall in line with more general literature emphasizing the need to pay special attention to contextualized conflict resolution in models of group-based microfinance (Labie et al., 2009). There is little doubt that a single solution to conflict management may be ineffective in heterogeneous communities of any rural area where culture, power structures and communication processes differ. Rather, microfinance institutions ought to facilitate development of group-level conflict resolution systems focusing on equity, transparency and involvement of the members. Besides resolving the disputes, these mechanisms lead to inclusion, accountability and resilience which are critical in terms of social sustainability. Socio-cultural factors, leadership processes, economic inclusion, and group involvement are very important activities that facilitate the smooth working of the microfinance groups. The current study echoes the fact that the functioning within a group is quite complex, paying attention to the functions of social capital, cultural conventions, gender diversity, and leadership in influencing the long-term viability and survival of the microfinance groups in rural areas of Sri Lanka. The conclusions are

in line with Sanyal (2009) and Postelnicu and Hermes (2018) as they consider the group participation and the development of social capital as the main factor facilitating the sustainability of microfinance groups. These empirical observations support the assumption that the existing belief that trust, cooperation, and effective conflict regulation shaped by means of social capital, cultural norms, and participatory leadership are central to social sustainability of microfinance groups, i.e. developing strong social bonds, increased accountability, and financial resilience by informal means of peer monitoring and loan pooling. As it can be incorporated with the current literatures, the study emphasizes the importance of the context-specific conflict-resolving approach, socio-cultural dynamics, and wide-group involvement in the survival of microfinance groups in the rural environment of Sri Lanka.

Micro finance group activities are highly determined by social and cultural issues, leadership styles, economic inclusion, and participation of the groups. To a greater extent, the current study confirms the complexity of how a group functions and the importance of social capital, cultural norms, gender diversity, and leadership towards the sustainability and resilience of a microfinance group in rural Sri Lanka. Increment in the involvement of women can help immensely in making microcredit groups self-sustainable as it has increased the social capital and has added to the probability of reimbursement of the loans granted as well as has stabilized dynamics within a group of them. There is greater tendency of women developing greater expertise which involves networks of trust and cooperation which are key to group cohesion and responsibility. Research has indicated that women are more productive in their loan repayment as well as likelihood to use their loan productively, and this decreases the chances of default on the loan, which will promote the financial fitness of the group. Also, the fact that women always come to the meetings, engage in inclusive decision-making, and support systems within their peers makes their groups always because something and continue. It is also a form of making them take part in breaking conventional gender codes resulting in increased power and control among the group. What it produces are the dynamics of collaboration and transparency that reinforce the social and financial

aspects of group sustainability (Sanyal, 2009; ArmendAz & Morduch, 2010; Postelnicu & Hermes, 2018).

Further both enabling and constraining implications of social networks with regard to microcredit group performance are found via this study, as has been cited by other investigations. On the one hand, close social ties, especially the ones organized either on the principles of family or close friendships can establish the atmosphere of trust in which the members feel supported, safe and determined to stick to their financial obligations. Conversely, however, the dense social networks may also be a danger when relation obligations run counter to financial improvidence. The current research findings also reflect the earlier warnings of cultured publications, as well (Banerjee et al., 2015; Karlan et al., 2010; Gunasekara et al., 2018). Altogether, the framework reiterates that to attain sustainable group cohesion and survival, internal social processes should be nurtured with social capital. This understanding lends further credence to the need for microfinance strategies to focus on relationships, faith, and participatory social practices as much as they regard the financial and structural aspects.

Framework for Social Sustainability of Microcredit Groups

Based on the research findings the following framework provides a comprehensive lens to understand the dynamics that influence the social sustainability of microcredit groups in rural Sri Lanka.

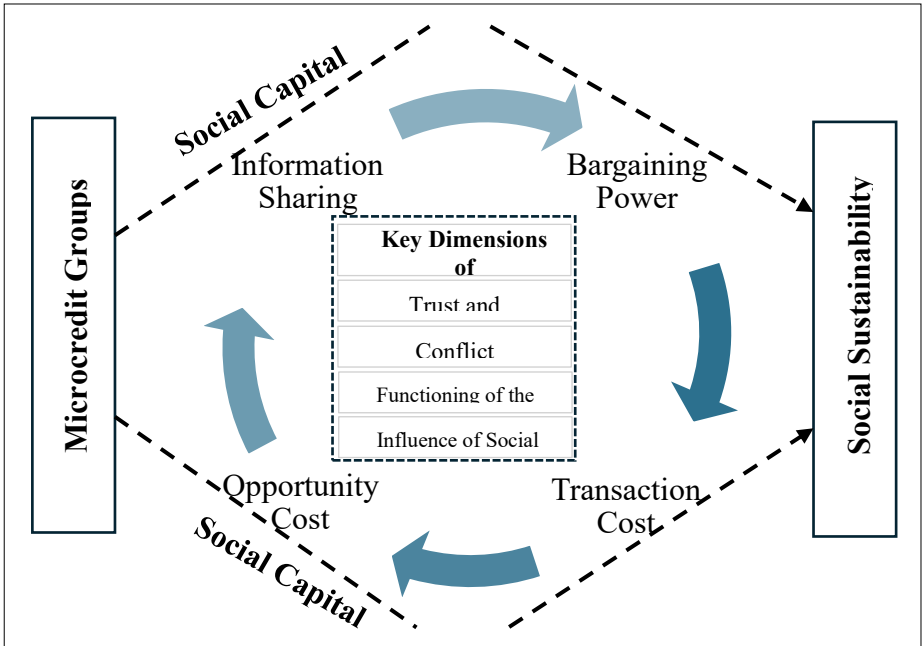


Figure 1: Identify the framework for Social Sustainability of Microcredit Groups

The framework presented in Figure 1 illustrates the process through which Social Sustainability is established within microcredit groups, particularly in rural Sri Lankan contexts. At the core of this model are four critical determinants: Trust and Cooperation, Conflict Management, Functioning of the Group, and Influence of Social Networks. These elements represent the internal social dynamics that shape the group's long-term cohesion and effectiveness. However, their functionality does not emerge in isolation. It is actively enhanced through the mechanisms explained by Social Capital Theory: information sharing, bargaining power, transaction cost, and opportunity cost. These theoretical constructs act as enablers, facilitating better coordination, stronger relationships, and more equitable group interactions.

As these four determinants become stronger through these social capital processes, the microfinance groups develop deeper inter-member trust, more efficient conflict resolution, better organized and goal-oriented operations, and stronger ties to external community and institutional networks. This interactive and reinforcing cycle gradually leads to the formation of a socially sustainable microcredit group. In essence, social sustainability is not a static end goal, but a dynamic outcome produced by the continuous and reciprocal strengthening of these four determinants through social capital mechanisms. This model highlights that sustainable group success relies not only on economic or structural factors, but deeply on the quality and depth of internal social relationships. Hence, the above dynamics, in their turn, are supported by the mechanisms of social capital allowing sharing information, increasing the bargaining power, and reducing transaction and opportunity costs. This constant, mutual interaction results in a further level of trust, more harmonious coordination, and integration with the outside networks, proving that the quality of the social relationships internal to the bonds is the main driving force of social sustainability instead of focusing merely on economic or structural factors.

Conclusion and Recommendations

This study aimed to identify the social sustainability determinants of microfinance groups in rural Sri Lanka, explore the dynamics of group interactions and their role in sustainability, and assess the roles of leadership, trust, and conflict resolution in sustaining groups by adopting a qualitative case study method. The findings demonstrate that trust and cooperation, conflict management, group functioning, and influence of social networks within microfinance groups significantly affect the social sustainability of microfinance groups in rural Sri Lanka, enhancing social capital and cohesion, leadership empowerment, socio-cultural context, economic inclusion, and community well-being. Trust and cooperation were identified as critical factors that foster stability and responsibility of microfinance groups, while effective conflict management mechanisms support microfinance group sustainability by ensuring smooth procedures and discouraging dissemination.

Leadership empowerment in microfinance groups enhances the decision-making process, promotes group resilience, and facilitates coordination. At the same time, social cohesion and networks shape microfinance groups through the collaboration of the social capital concept, influencing loan repayment and overall operational procedures. Although these determinants have a significant and positive impact on the social sustainability of microfinance groups, issues such as economic stress, lack of leadership empowerment, and various socio-cultural constraints interfere with the long-term social sustainability of microfinance groups. Similarly, this study emphasizes the diverse perspectives on the role of social networks; some respondents view them as valuable, while others perceive them as sources of problems. These opposite perspectives demonstrate that the success or failure of microfinance groups largely relies on the nature of groups and their management methods.

This research study further highlights the need for a comprehensive approach that explicitly addresses socio-cultural inclusion and economic inclusion to enhance microfinance in rural Sri Lanka. Strengthened leadership empowerment and conflict management strategies, enhanced economic and social inclusion, market access, and financial literacy are supportive of the regulatory frameworks that promote the well-being of beneficiaries in successful microfinance initiatives. The social sustainability of microfinance groups ultimately leads to community-based growth and development, poverty reduction, increased financial inclusion, and strengthened overall sustainability. In the current study, empirical support is provided, which confirms that the rural microfinance groups in Sri Lanka have high level of social sustainability when the internal mechanism of trust, conflict resolution, group operation and social networks is supported by social capital. Nurturing pro-inclusive leadership, meaningful relationship development and cultural conflict management thus becomes a necessity in maintaining cohesion within the group and realizing sustainable microfinance performance.

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UNPACKING SELF-DIRECTED LEARNING READINESS: A MAPPING AND ANALYSIS OF MEASUREMENT SCALES

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ABSTRACT

This study aims to map and analyse the measurement scales used to assess Self-Directed Learning Readiness (SDLR). With self-directed learning (SDL) emerging as a critical competency for personal and professional development, a comprehensive evaluation of the scales designed to measure SDLR is essential. The Web of Science database was selected as the source for this systematic literature review, spanning 35 years from 1989 to 2023, with 97 articles identified. After applying seven exclusion criteria, 59 articles were selected for final analysis. The study catalogues and evaluates 13 instruments used to assess SDLR, focusing on their dimensions, attributes, and historical development. The findings reveal that the Self-Directed Learning Readiness Scale for Nursing Education and the Self-Rating Scale of Self-Directed Learning are the most frequently utilized and cited tools. A continental analysis shows that SDLR research is primarily concentrated in North America and Asia, with significant contributions from the USA (16.67%) and Taiwan (10%). In contrast, the research from developing regions remains limited. The study also identifies 64 SDLR dimensions across the 13 tools, resulting in 52 distinct dimensions. Further, the research classifies these dimensions into eight categorical dimensions: Motivation, Collaborative Learning Activities, Knowledge construction, Self-Efficacy, Self-Management, Self-Reflection and Evaluation, Autonomy, and Planning, offering a structured framework for assessing SDLR. The limited exploration of SDLR measurement in non-medical fields, especially at the school level, highlights the need for contextually and developmentally appropriate tools for younger learners. This study provides valuable insights for future research and developing comprehensive SDLR assessment tools in diverse educational settings.

Keywords: Self-Directed Learning Readiness, Self-directed Learning Competency, Learning Autonomy, Lifelong learning, Self-directed Learner

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Introduction

Self-directed learning (SDL) has deep roots in educational theory and practice. The term SDL was first introduced in adult education by Houle in 1961 and later developed by Tough, and the term was formalised by Knowles in 1975 (Merriam et al., 2007; Popovic, 2011). SDL involves learners taking active control of their educational process by identifying their learning needs, setting objectives, sourcing resources, selecting learning strategies, and evaluating progress with or without external assistance (Knowles, 1975). SDL encompasses essential skills such as self-discipline, autonomy, effective organization, effective communication, constructive feedback acceptance, engagement in self-reflection, and self-evaluation (Merriam, 2001). There are five ways to look at learning in a psychological framework (Merriam & Bierema, 2014). These include behaviourism, humanism, cognitivism, constructivism, and social learning. Two of these groups, cognitivists and constructivists, are associated with SDL.

This approach transcends traditional instructional paradigms by empowering individuals to take ownership of their learning, fostering lifelong learning habits, and enhancing adaptability in today's dynamic environments. As society becomes increasingly knowledge-based and information-centric, SDL has become an essential competency for personal and professional development, encouraging educational institutions globally to cultivate self-directed professionals (Guiter, 2014).

Self-directed learning readiness (SDLR) is the foundational preparedness of individuals to engage in SDL, representing an individual's attitudes, abilities, and personal traits that foster independent learning (Dačiulytė & Pinchuk, 2010.; Wiley, 1983). Fisher & King (2010) define SDLR as the degree to which learners possess the necessary dispositions for SDL, while (El-Gilany & Abusaad (2013) expand this definition, emphasizing it as the acquired level of ability to engage effectively in SDL. As a precursor to effective engagement in SDL, SDLR encompasses learners' readiness and capacity to take control of their own learning. Therefore, assessing SDLR

is essential for educators, researchers, and practitioners, as it allows them to gauge learners' SDL competencies, tailor instructional approaches, and design targeted interventions that support the cultivation of SDL skills.

Despite the recognized importance of assessing SDLR, the availability of robust assessment tools for SDL remains essential. Existing scales offer systematic frameworks to evaluate essential SDL attributes, such as autonomy, motivation, metacognitive strategies, and learning preferences (Tekkol & Demirel, 2018). However, the variety and scope of these scales are not yet fully mapped. In a systematic review, Cadorin et al. (2017) identified four primary scales: Self-directed Learning Readiness Scale (SDLRS), Self-directed Learning Readiness Scale for Nursing Education (SDLRNSE), Self-Rating Scale of Self-Directed Learning Readiness (SRSSDL), and Self-Directed Learning Instrument (SDLI), used to measure SDLR. However, whether additional scales exist or alternative tools for assessing SDLR have been developed for different educational contexts and regions remains unclear. Moreover, there is limited information on the specific SDL dimensions these tools address, such as motivation, self-monitoring, learning strategies, and engagement, and how comprehensively these dimensions are represented across different scales.

To address these gaps, this study aims to map the existing scales validated in the literature for assessing SDLR. This research seeks to identify the scales used to measure SDLR, understand which aspects of SDLR each scale emphasizes, and analyze trends in SDLR assessment research over time. Answering these questions will provide valuable insights into the comprehensiveness, applicability, and evolution of SDLR measurement tools, ultimately guiding future research and practical applications across diverse educational settings.

Assessment of SDLR

The development of assessment tools for SDLR has played a pivotal role in advancing research and practice in SDL. The first significant instrument to assess SDLR was developed by Guglielmino in 1977, marking a milestone in SDL research by providing a systematic approach to measure learners' readiness for independent learning (Cadorin et al., 2017; Merriam, 2001).

This instrument not only expanded the conceptualization of SDL but also opened new pathways for empirical studies in educational settings.

Research on SDL in Sri Lanka remains limited, with only a handful of studies addressing this area (Bandara, 2017, 2022; Dharmasena et al., 2022; Galdolage, 2020; Munasinghe et al., 2020; Piratheeбан, 2023; Piratheeбан & Bandara, 2024; Samarasooriya et al., 2019). Among these studies, Galdolage (2020) developed a self-generated questionnaire to assess SDL in self-service technologies. This questionnaire comprised three dimensions: motivation, self-management, and self-monitoring, and included 31 items. Similarly, Piratheeбан (2023) designed a self-generated questionnaire to measure SDLR among student-teachers in Sri Lanka. This instrument consisted of 30 items categorized into six dimensions: self-motivation, goal orientation, time management, information seeking, self-regulation, and collaboration and communication. In contrast, Samarasooriya et al. (2019) and Dharmasena et al. (2022) employed Fisher's SDL scale (Fisher et al., 2001) to measure SDLR among nursing learners in Sri Lanka.

In 1986, Oddi developed a tool to measure the personal characteristics of self-directed learners (Merriam, 2001). In 2001, Fisher et al. further contributed to the field by developing a tool specifically for nursing students, underscoring the importance of SDLR assessment in professional contexts where SDL is vital (Fisher et al., 2001). Williamson then introduced the SRSSDL in 2007 (Williamson, 2007), followed by Cheng et al.'s SDLI in 2010 (Cheng et al., 2010). Most recently, Dulloo et al. (2023) developed the DSVS-SDLRS, an addition that highlights the ongoing evolution and relevance of SDLR tools in diverse educational landscapes.

These tools have significantly enhanced SDL-related studies, allowing researchers to measure how well students are prepared for SDL across various contexts. Numerous studies have utilized these tools to explore SDLR among different learner groups, including librarians (Lai & Wang, 2012), publics (Galdolage, 2020), student-teachers (Grescia et al., 2022; Hussain et al., 2019; Piratheeбан, 2023); teachers (Torabi et al., 2013), engineering undergraduates (Litzinger et al., 2005), medical students

(Abraham et al., 2011; De La Barrera-Cantoni et al., 2021; Fung et al., 2000; Harvey et al., 2006; Hendry & Ginns, 2009; Hoban et al., 2005; Kim & Yang, 2020; Klunklin et al., 2010; Kumar et al., 2021; Leatemia et al., 2016; Lestari & Widjajakusumah, 2009; Mahmud et al., 2014; Monroe, 2016; Shokar et al., 2002; Soliman & Al-Shaikh, 1969; Tsou et al., 2009), nursing students (Alharbi, 2018; Cadorin et al., 2013, 2015; Chakkaravarthy et al., 2020; Chen & Fan, 2023; Dharmasena et al., 2022; El-Gilany & Abusaad, 2013; Fan et al., 2020; Harvey et al., 2003; Kaulback, 2020; Ke et al., 2023; Khodaei et al., 2022; Klunklin et al., 2010; Lee et al., 2020; Millanzi et al., 2021; Örs, 2018; Park & Kim, 2023; Roberts et al., 2019; Samarasooriya et al., 2019; Visiers-Jiménez et al., 2022; Williams, 2004; Zhang et al., 2022), Pharmaceutical students (Behar-Horenstein et al., 2018; Deyo et al., 2011; Huynh et al., 2009), Other or multidisciplinary undergraduates (Alotaibi & Alanazi, 2021; Jiusto & DiBiasio, 2006; Lee & Mori, 2021; Rascón-Hernán et al., 2019; Rashid & Asghar, 2016; Slater et al., 2017; Tekkol & Demirel, 2018), secondary school students (Chen et al., 2022; Gooria et al., 2021; Hafizah Adnan & Sayadi, 2021; Jaleel & O.M., 2017) and primary Students (Timothy et al., 2010).

Additionally, these tools have facilitated research into the relationship between SDLR and various constructs such as academic achievement (Grenigia et al., 2022; Hussain et al., 2019; Jaleel & O.M., 2017; Khalid et al., 2020; Litzinger et al., 2005; Piratheeban, 2023) self-efficacy (Karataş et al., 2023; Prihastiwati et al., 2024; Saeid & Eslaminejad, 2016; Shohoudi et al., 2015), and assessment methods (Monroe, 2016). Furthermore, several studies have focused on identifying factors influencing SDLR, highlighting its multi-faceted nature (Kim & Park, 2011; Koirala et al., 2021; Monkaresi et al., 2015; Munasinghe et al., 2020; Piratheeban, 2023; Ramli et al., 2018; Slater et al., 2017; Wong et al., 2021; Yang et al., 2021).

These studies' contributions underscore the importance of mapping the available tools for assessing SDLR. Without such tools, these investigations would not have been possible. Mapping these assessment instruments is essential for guiding future researchers in selecting tools that best align with their specific research contexts.

Objectives

1. To catalogue and evaluate the existing instruments used to assess SDLR, focusing on their dimensions, attributes, and historical development.
2. To analyze the geographical distribution of SDLR research, identifying countries and regions contributing significantly to the field.
3. To examine the trends in SDLR research publications over time, highlighting shifts in focus and emerging topics.
4. To explore the major academic disciplines utilizing SDLR scales, identifying key areas of application in educational and professional contexts.
5. To classify the SDLR dimensions across various measurement tools, comparing the instruments used in high-impact studies.

Methodology

This study employs a systematic literature review (SLR) methodology to identify and map instruments used to assess SDLR. The primary aim is to enhance understanding of SDLR by cataloguing relevant studies in this area. Rather than a broad overview, this research specifically focuses on identifying the key scales that have been applied in educational research over time.

The Web of Science (WoS) database was selected as the source for articles for this SLR, spanning 35 years from 1989 to 2023. This database is among the largest and most reputable sources for academic literature, widely regarded as a dominant reference in scholarly research due to its extensive coverage of foundational publications across numerous scientific disciplines (Falagas et al., 2008). The chosen timeframe ensures a comprehensive view of SDLR assessment tools, capturing both the evolution of early instruments and recent advancements in this area of research.

We employed the model proposed by Tranfield et al. (2003) to structure this SLR, which organizes the process into three key stages. According to the

authors, a SLR should progress through the following stages:

Stage 1: Planning the SLR

- *Phase 0*: Recognizing the need for a review
- *Phase 1*: Preparing the review proposal
- *Phase 2*: Developing a review protocol

Stage 2: Conducting the Review

- *Phase 3*: Identifying relevant research
- *Phase 4*: Selecting studies for inclusion
- *Phase 5*: Assessing the quality of studies
- *Phase 6*: Extracting data and monitoring the process
- *Phase 7*: Synthesizing data

Stage 3: Reporting and Disseminating Findings

- *Phase 8*: Writing the report and making recommendations
- *Phase 9*: Applying evidence to practice

This structured approach ensures methodological rigour by systematically identifying, assessing, and synthesizing relevant studies. Each phase creates a transparent, replicable process, providing a robust foundation for reviewing SDLR instruments. Given its well-established framework for comprehensive evidence synthesis, this method is ideally suited to fulfil the research objectives of mapping and assessing SDLR tools in educational contexts.

To develop the review protocol, a search string was crafted using carefully selected keywords to identify articles focused on primary SDLR assessment instruments effectively. This search string was applied to both the titles and abstracts of articles in the WoS database. During the search, filters included only entries categorized as scientific articles. This approach ensures a focused and relevant selection of studies, optimizing the quality and specificity of the data gathered for the review.

The outcomes of the search are summarized in Table 1.

Table 1

Information of Search String and the Number of Articles Obtained

Category	Search String	WoS
SDLR Assessment Tools	“self-directed learn* readiness scale” or (“self-directed learn*” and (scale” or instrument” or inventory or “skills scale” or “competency scale” or “ability inventory”)) or “self-directed learning with technology scale” or “self-rating scale of self-directed learning” or “Oddi’s continuing learning inventory” or “Bartlett-Kotrlik inventory of self-learning”	97

The search string was developed by drawing from existing literature on the concept of SDL and referencing the terminology of historically significant assessment tools in the field, including instruments such as the Oddi Continuing Learning Inventory (OCLI); SDLRS; SDLRNSE, SRSSDL; Self-Directed Learning with Technology Scale (SDLTS); Self-Directed Learning Skills Scale (SDLSS); Self-Directed Learning Competency Scale (SD LCS); SDLI; Self-directed Learning Inventory; Self-Directed Learning Ability Inventory (SD LAI); Self-Directed Learning with Technology for Young Students (SD LTYS); Self-Directed Learning Readiness Scale for Online Learning Environments (SD LRSOLE); Learning Orientation Questionnaire (LOQ); Bartlett-Kotrlik Inventory of Self-Learning (BISL); Learning Preference Assessment (LPA); Traditional Chinese Version of Self-directed learning Readiness Scale (TC-SDLRS); SRSSDL-Italian Version (SRSSDLIta); SRSSDL in Older People (SRSSDLO). This careful selection of keywords aimed to capture the breadth of research in SDL assessment tools. The resulting search string enhances the likelihood of identifying relevant studies that contribute valuable insights into the development and application of these instruments over time.

The search yielded 97 articles, identified according to the keyword strategy outlined in Table 1. Subsequently, filters were applied to refine the selection, ensuring only the most relevant articles were included in the SLR sample, as specified in Table 2.

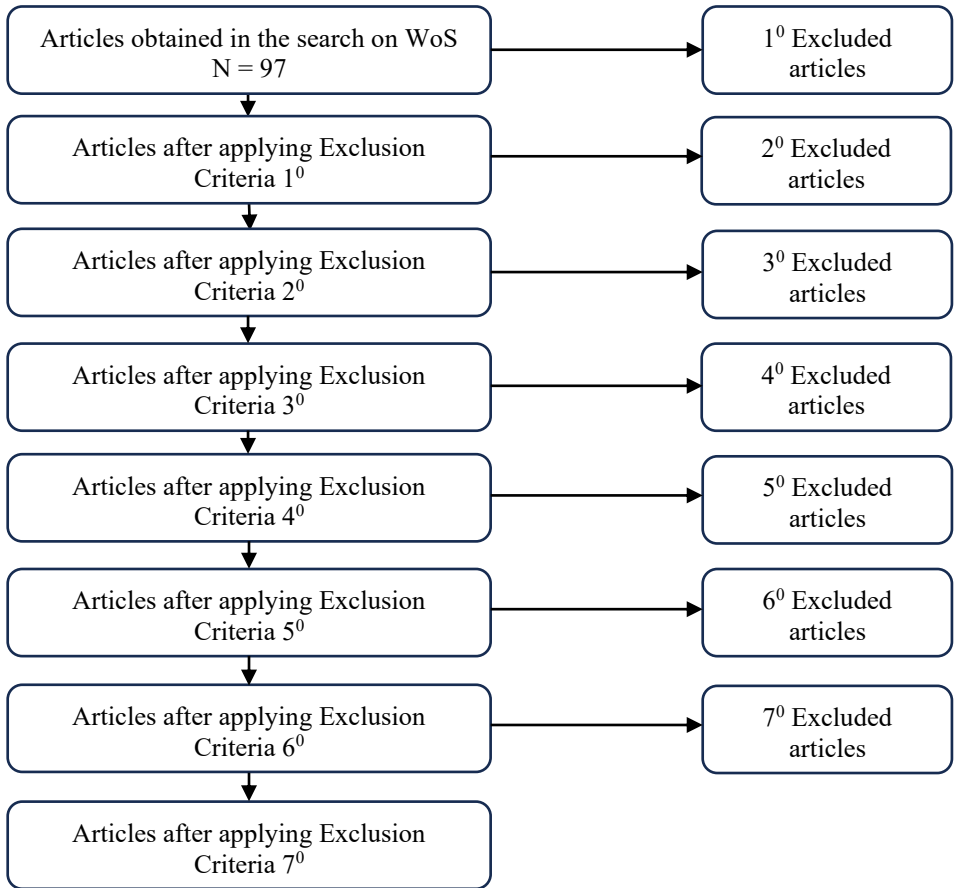
Table 2
Criteria Used to Exclude Articles from the SLR

Order	Exclusion Criteria	Number of Excluded Articles
1 ⁰	Articles published in the year 2024	07
2 ⁰	Articles in languages other than English	04
3 ⁰	Editorials	02
4 ⁰	Missing field (Abstract)	01
5 ⁰	Articles unsuitable for the study	02
6 ⁰	No SDLR scale used	16
7 ⁰	Scale type not specified	06
Total number of articles excluded		38

After applying the specified exclusion criteria to the initial pool of 97 articles, a total of 38 articles were excluded based on the seven exclusion criteria outlined in Table 2. Consequently, 59 articles were selected for inclusion in the SLR. The detailed operational process, including the steps involved in identifying and refining the final sample, is illustrated in Figure 1. This rigorous methodology ensured the selection of a focused and high-quality sample, aligning with the study's objectives and providing a strong foundation for meaningful insights.

Figure 1

Operational Process of Selecting Articles in the SLR



Results

The articles that comprise the sample involve studies carried out in the educational context, so that the studies could assess the readiness for engaging in SDL, specifically in the educational institutions, where the formal learning process takes place. Furthermore, it was identified that the studies involved in six educational contexts: Medical students, Para-medical students, Teachers, other undergraduate students, College students, and school students.

Prominent Contributors to Global SDLR Research Using Measurement Scales

In the SLR, an analysis of the 59 selected articles and their respective countries revealed that four articles did not provide relevant details regarding the location of the study. Additionally, one study was conducted across six different countries, which were accounted for individually. Consequently, 60 occurrences were identified as part of the review. Among these, seven countries emerged as having conducted many studies utilizing the SDLR scale, demonstrating their active engagement and contribution to SDL research. These countries are highlighted in Table 3 below, providing insights into the geographical distribution of SDLR research. This categorization emphasizes the global scope of SDLR studies while showcasing regional trends and focus areas.

Table 3

Countries with Significant Contributions to SDLR Research Using the SDLR Scale

Ranking	Country	Occurrences	Percentage
1	USA	10	16.67
2	Taiwan	6	10.00
3	Canada	5	8.33
3	Saudi Arabia	5	8.33

5	Australia	4	6.67
5	Italy	4	6.67
5	South Korea	4	6.67

In terms of occurrences, the USA ranks first with 16.67%, followed by Taiwan at 10.00%. Canada and Saudi Arabia share the third position with 8.33% each, while Australia, Italy, and South Korea rank fifth with 6.67% each. It is noteworthy that all these countries are developed nations, reflecting their advanced educational systems and prioritization of research in SDLR. This prevalence highlights a potential research gap in developing countries, where studies on SDLR remain limited, underscoring the need to extend such research to diverse educational and cultural contexts.

Continental Analysis of SDLR Research Distribution

The results obtained by analyzing these countries based on the continents they are located in are shown in Table 4 below. This analysis provides a geographical perspective on the distribution of studies, highlighting the representation of different continents in research on SDLR. It offers insights into regional trends and the focus of academic inquiry in various parts of the world, which can inform the identification of research gaps and opportunities for cross-continental comparisons in future studies.

Table 4
Geographical Distribution of SDLR Studies by Continent

Continent	Number of Countries	Number of Occurrences	Ranking Based on Number of Occurrences	Number of Occurrences/ Country	Ranking Based on Number of Occurrences/ Country
Asia	10	24	1	2.4	3
Australia	1	4	4	4	2
Europe	8	13	3	1.63	4
North America	2	15	2	7.5	1
South America	2	2	5	1	5

Africa	2	2	5	1	5
Total	25	60			

The table 4 provides a summary of the geographical distribution of countries where studies on SDLR have been conducted, categorized by continent. Asia accounts for the highest number of countries (10), reflecting significant research interest in this region. This high representation of countries in Asia is also evident in the number of occurrences, with Asia having 24 occurrences, which corresponds to an average of 2.4 occurrences per country. Europe follows with eight countries, highlighting its strong contribution to SDLR studies, with 13 occurrences and an average of 1.63 occurrences per country. North America, with 2 countries, ranks second in the number of occurrences, with 15 occurrences and an average of 7.5 occurrences per country, indicating a concentrated research focus in this region. South America and Africa each have 2 countries represented, both with 2 occurrences, demonstrating a relatively balanced presence across these continents in terms of SDLR research. Australia is represented by a single country, reflecting limited but noteworthy engagement in SDLR research, with 4 occurrences. In total, studies from 25 countries across six continents were analyzed, providing a comprehensive global perspective on SDLR research trends. This distribution underscores the global interest in SDLR, with notable concentrations in certain regions, particularly Asia and North America.

Trends in SDLR Research Publications Over Time

An analysis of the publication timeline reveals a steady increase in the number of articles published on the topic of SDLR. This trend reflects the growing academic interest and recognition of its importance in recent years. Notably, 52.54% of the selected articles were published within the past eight years, emphasizing the heightened focus on this research area during this period. To provide a clearer understanding of this progression, the publication timeline has been divided into four distinct segments. Table 5 presents the number and percentage of articles published within each segment, illustrating the gradual expansion of research on SDLR over time.

Table 5

Publication Distribution of Selected Articles Across Time Segments

Time segment	Number of years Covered	Number of articles published	Percentage of articles published
1992-1999	8	2	3.39
2000-2007	8	8	13.56
2008-2015	8	18	30.51
2016-2023	8	31	52.54
1992-2023	32	59	100

The categorization in Table 5 underscores the progressive development and intensification of interest in SDLR research across the years. The substantial proportion of articles published in the most recent period highlights an accelerating momentum, suggesting that SDLR has become a focal point for researchers worldwide. This growth may be attributed to the increasing emphasis on learner autonomy, self-regulated learning, and educational strategies that align with 21st-century skills. The division of the publication timeline into segments provides a valuable perspective on the evolution of this field, revealing not only the steady rise in research output but also the sustained relevance of SDLR in academic discourse.

Leading Journals in Publishing SDLR Research

The 59 articles selected for the SLR were published across 34 different journals. Table 6 displays the top six journals in the WoS database that have published studies in the field, specifically those utilizing instruments to assess SDLR. This ranking highlights the primary sources contributing to research on SDLR, underscoring the role of these journals in advancing knowledge in the area.

Table 6

Top Six Journals Publishing Articles Using Self-Directed Learning Readiness Scales

Ranking	Journals	Frequency
1	Nurse Education Today	8
2	BMC Medical Education	4

2	Nurse Education in Practice	4
4	BMC Nursing	3
4	Medical Education	3
4	American Journal of Pharmaceutical Education	3
Total		25

The journal *Nurse Education Today* ranks first, publishing the highest number of articles using SDLR scales among the 59 reviewed journals. The top six journals account for 25 publications, representing 42.37% of all articles selected for this review process. This concentration of publications within a few key journals underscores these outlets' significant role in disseminating research on SDLR.

An important observation is that all the top-ranked journals are related to the health-related field, specifically in medicine, nursing, and pharmaceuticals. Notably, four journals focus on nursing education: *Nurse Education Today*, *Nurse Education in Practice*, *Journal of Nursing Education*, and *BMC Nursing*. This strong representation within medical and nursing education highlights the critical role of SDLR research in health-related fields, where SDL is essential for ongoing professional development and competency.

Disciplinary Trends in SDLR Research

The research on SDLR spans multiple disciplines, reflecting its wide-ranging relevance across various fields. To better understand the focus areas and trends in SDLR studies, the selected articles have been categorized by discipline. This distribution highlights the prominent fields contributing to SDLR research and illustrates the cross-disciplinary recognition of SDLR's importance in promoting lifelong learning and adaptability. The table 7 summarizes the number of articles published within each major discipline, underscoring the breadth and impact of SDLR studies across educational and professional contexts.

Table 7

Distribution of SDLR Research Across Major Disciplines

Research Area	Frequency
Education and Educational Research	29
Nursing	14
Psychology	04
General and Internal Medicine	03
Science & Technology and other topics	03

The most prominent research area in the study of SDLR using a scale to measure it is *Education and Educational Research*, which encompasses several sub-areas, including healthcare sciences and services, nursing, pharmacology and pharmacy, physiology, engineering, and computer science. This broad educational focus underscores the importance placed on understanding SDLR's role in various fields where fostering independence and lifelong learning is essential for academic and professional success.

Nursing is particularly notable within the educational domain, as eighteen journals dedicated to nursing education were among the top sources of SDLR publications. This concentration highlights a significant interest in exploring how SDLR impacts nursing students, recognizing the need for nurses to develop SDL skills to stay current in an evolving healthcare environment. In nursing, SDLR is vital for promoting continuous professional development, patient-centred care, and adaptive expertise, thus justifying the focus on this field.

Psychology also emerged as a critical field, with studies exploring SDLR's influence on learning styles, motivation to learn, problem-solving and critical thinking ability, and academic self-efficacy. This focus reflects the psychological underpinnings of SDLR, which involve motivation, self-regulation, and self-efficacy - factors that directly influence a learner's ability to engage in and benefit from SSL. Understanding these influences is particularly relevant in educational psychology, where insights into these factors can inform effective teaching strategies and support the development of autonomous learners.

Another significant area is *Medicine*, reflecting SDLR's critical role in

medical education and practice. In the medical field, SDLR is essential for students and practitioners, as they must constantly update their knowledge and skills to provide high-quality patient care. The rigorous and ever-evolving nature of medical knowledge necessitates those medical professionals be adept at SDL to stay current with medical advancements, research, and evidence-based practices. This focus on SDLR in medicine underscores its significance in fostering a culture of lifelong learning and adaptability within healthcare, where ongoing professional development directly impacts patient outcomes.

In addition to education, nursing, psychology, and medicine; Science and Technology has also emerged as a relevant area in SDLR research, though to a lesser extent, with three articles available in this field. This focus on science and technology highlights the importance of SDLR in disciplines that require a strong foundation in SDL skills to keep pace with rapid advancements and innovation. In engineering and computer science fields, the ability to independently acquire new knowledge and skills is crucial for adapting to evolving technologies and methodologies. Research in this area supports the development of SDL competencies essential for professionals to remain competitive and competent in high-tech and STEM fields.

Overall, the prominence of SDLR research across education, nursing, psychology, medicine, and science and technology, indicates a strong cross-disciplinary recognition of SDLR's role in fostering effective, lifelong learning habits. This trend reflects the increasing value placed on SDL skills across diverse professional and educational settings, where adaptability, self-motivation, and continuous learning are essential for success and growth in dynamic fields.

Overview and Key Features of SDLR Assessment Tools

The analysis of articles included in this study identified 13 distinct instruments utilized to assess SDLR. Table 8 summarises these SDLR scales, detailing the author and year, dimensions covered by each scale, and the total number of items. This overview serves as a valuable resource for

understanding how each instrument is structured and the aspects of SDLR it addresses, offering insights for future researchers in selecting suitable tools for their specific needs.

Table 8
Overview of SDLR Assessment Instruments

Instrument	Author and Year	Number of dimensions	Dimensions	Number of Items
SDLRS	(Guglielmino, 1977, as cited in Hoban et al., 2005)	08	Openness to learning opportunities, Effective learner, Initiative and independence in learning, Informed acceptance of responsibility for their learning, Love of learning, Creativity, Positive orientation to the future, and Ability to use basic study skills and problem-solving skills	58
SDLRNSE	(Fisher et al., 2001)	03	Self-management, Desire for learning, and Self-control	40
OCLI	(Oddi, 1986)	04	Learning With Others, Learner Motivation/ Self-Efficacy/ Autonomy, Ability to be Self-Regulating, and Reading Avidity	24
SRSSDL	(Williamson, 2007)	05	Awareness, Learning Strategies, Learning activities, Evaluation,	60

			and Interpersonal skills	
TC-SDLRS	(Deng, 1995)	06	Effective learning, Love of learning, Learning motivation, Active learning, Independent learning, and Creative learning	55
SDLI	(Cheng et al., 2010)	04	Learning motivation, Planning and implementing, Self-monitoring, and Interpersonal communication	20
Korean Self-directed Learning Ability Inventory (Korean SDLAI)	(Eul kyoo bae & Minyoung Lee, 2010)	07	Management of learning process, Evaluation of learning outcome, Motivation for learning, Self-concepts, Continuity of learning activity, Management of learning resources, and Making a learning environment	21
SDLSS	(Askin, 2015, as cited in Tekkol & Demirel, 2018)	04	Motivation, Self-control, self-monitoring, and self-confidence	21
SDLCS	(Lee & Mori, 2021)	00		9
Korean Self-directed learning Inventory (Korean SDLI)	(Suh et al., 2015)	08	Learning needs, Utilizing skills, Enduring Challenges, Self-efficacy in learning, Planning skills, Evaluating skills, Completing tasks, and Internal attribution	28
SRSSDLO	(Cadorin et al., 2020)	04	Awareness, Attitudes, Availability, Motivation	13

SRSSDL _{ITA}	(Cadorin et al., 2013)	08	Awareness, Attitudes, Motivation, Learning Strategies, Learning Methods, Learning Activities, Interpersonal Skills, and Constructing Knowledge	40
SDLTS	(Timothy et al., 2010)	02	Self-Management, and Intentional Learning	6

The diverse range of instruments outlined in Table 8 highlights the multifaceted nature of SDLR and underscores the evolution of measurement tools in this field. Each scale incorporates unique dimensions and item structures, reflecting varied conceptualizations of SDLR across different contexts and populations. This diversity provides researchers with flexibility in selecting an instrument that aligns with their study objectives and target groups. Additionally, analyzing these instruments offers valuable insights into the key competencies and attributes associated with SDLR, contributing to the advancement of research and practice in fostering SDL among learners.

Frequently Utilized Instruments for Assessing SDLR

Due to the inclusion of two scales in a single article, the scales used to measure SDLR across the 59 articles selected for review have been applied 60 times. Table 9 below presents the top five scales identified as the most frequently used. For each of these scales, the table includes both the frequency of use and the corresponding percentage of the total 60 instances, providing insight into the relative popularity and application of each scale in SDLR assessment.

Table 9

Top Five Most Frequently Used Scales for Measuring SDLR

Scale	Author and Year	Frequency	Percentage
SDLRSNE	(Fisher et al., 2001)	19	31.67
SDLRS	(Guglielmino, 1977, as cited in Hoban et al., 2005)	15	25.00
SRSSDL	(Williamson, 2007)	8	13.33
TC-SDLRS	(Cheng et al., 2010)	3	5.00
OCLI	(Oddi, 1986)	3	5.00

Among these scales, the SDLRSNE, developed by Fisher, has been used 19 times, accounting for 31.67% of the total 60 uses. However, the SDLRS by Guglielmino has been used slightly less frequently, with 15 instances (25%). Additionally, the Self-Rating Scale of Self-Directed Learning (SRSSDL) by Williamson appears 8 times (13.33%), while the Cheng and Oddi scales - namely, the Cheng's TC-SDLRS and Oddi's Continuing Learning Inventory (OCLI) - are each used 3 times (5%). This distribution is detailed in Table 9, offering insights into the prevalence of each scale in the selected studies.

Prominent Tools for Measuring SDLR in High-Impact Studies

Following this analysis, the four most-cited papers were selected, and the SDLR measurement tools utilized within each were closely examined to identify patterns in tool usage among highly referenced studies. All-database citation counting was used to ensure comprehensive citation tracking. Observations from this analysis are summarized in Table 10 below.

Table 10

SDLR Measurement Tools in the Top-Cited Studies

Ranking	Scale	Developer	Article Author	Number of citations
1	SRSSDL	(Williamson, 2007)	(Rashid & Asghar, 2016)	368
2	SDLRSNE	(Fisher et al., 2001)	(MFisher & King, 2010)	139
3	SDLSS	(Askin, 2015, as cited in Tekkol & Demirel, 2018)	(Tekkol & Demirel, 2018)	113
4	SDLRS	(Guglielmino, 1977, as cited in Hoban et al., 2005)	(Hoban et al., 2005)	96

Table 10 provides an overview of the SDLR measurement tools used in the four most-cited studies, along with details on the developers of each tool, the authors of the articles, and the respective citation counts. The Self-Rating Scale of Self-Directed Learning (SRSSDL), developed by Williamson and cited by Rashid & Asghar (2016), ranks highest with 368 citations, indicating its strong influence and frequent application in SDLR research. Following this, the SDLRSNE, developed (2001) and cited (2010) by Fisher, holds the second-highest citation count with 139 references. The Self-Directed Learning Skills Scale (SDLSS), created by Askin (2015) and utilized in Tekkol & Demirel’s study (2008), ranks third with 113 citations. Lastly, the SDLRS by Guglielmino (1977), cited in Hoban et al.’s work (2005), has received 96 citations. This ranking highlights the prominence and impact of these scales within SDLR research.

Contexts of SDLR Measurement in Educational and Professional Domains

Table 11 below presents the findings regarding the various educational and professional contexts in which SDLR has been extensively measured. These contexts span a range of disciplines and settings, reflecting the adaptability and relevance of SDLR assessment across diverse environments. This table

aims to provide a comprehensive overview of the contexts studied, shedding light on the areas where SDLR measurement has been prioritized in the literature.

Table 11

Educational and Professional Contexts for SDLR Measurement Across Studies

Context	Frequency	Percentage
Nursing	24	40.68
Medical	15	25.42
Other Medical Related field	8	13.56
Others	12	20.34

Table 11 illustrates the frequency and percentage distribution of studies measuring SDLR across various educational and professional contexts. Notably, 79.66% of the articles focus on medical-related fields, including nursing, medical, dental, pharmacy, physiotherapy, midwifery, health science undergraduates, veterinary studies, and similar areas. In contrast, only 20.34% of the studies pertain to non-medical fields such as engineering, general undergraduate studies, teachers, librarians, school students, and older adults. This trend suggests that SDLR measurement has been predominantly concentrated in medical and health sciences.

Only one study focused on younger students, employing the SDLTS scale developed by (Timothy et al., 2010)). For high school and college students, just two studies were conducted, using Guglielmino’s SDLR scale and the Korean SDLI scale (Suh et al., 2015) respectively. Similarly, only two studies measured SDLR specifically among teaching students, utilizing the SDLRsNE (Fisher et al., 2001) and the SRSSDL (Williamson, 2007). This pattern highlights a notable gap in SDLR measurement within school education settings.

Given that the concept of SDL is relevant even at the school level, increased attention should be directed toward measuring and fostering SDLR among

school students. Strengthening SDLR in early education can lay a strong foundation for cultivating greater autonomy in learning, ultimately enhancing SDLR among university-level students and professionals. It is important to acknowledge that self-direction is not limited to adult learning but is equally applicable and valuable in earlier stages of education (Brockett & Hiemstra, 1991).

At the same time, a specific tool designed for nursing students, the SDLRNSE, has been developed and validated by Fisher et al. (2001, 2010) to measure SDLR within the nursing context. Similarly, several tools have been created to assess the SDLR levels of adult populations, including undergraduate students and professionals. However, a gap exists in measuring SDLR specifically at the school level, as current tools are generally tailored to adults and may not account for the developmental differences in younger students.

Thus, a specific SDLR measurement tool for school-level students is needed, recognizing that they are in a distinct stage of cognitive and social development compared to adults. An age-appropriate tool for school students would facilitate accurate SDLR assessment and provide a basis for interventions to foster SDL habits early, ultimately preparing students for greater autonomy in learning as they progress through their educational journey.

Classification of SDLR Dimensions Across Various Measurement Tools

Table 8 shows that there are a total of 64 dimensions in the 13 SDLR tools identified in this literature. Among these, *Awareness* and *Motivation* appear three times, while *Self-Control*, *Self-Monitoring*, *Self-Management*, *Learning Activities*, *Learning Strategies*, *Learning Motivation*, *Attitudes*, and *Interpersonal Skills* appear twice, resulting in the identification of 52 distinct dimensions. To create a comprehensive and systematic framework, these 52 SDLR dimensions were grouped into eight categorized dimensions, taking into account their respective comparisons and thematic

similarities. This categorization process relied on identifying the core concepts associated with each dimension, grouping them under broad, representative categories.

While examining the questions or components within each of these categorized dimensions, minor thematic variations may arise, reflecting differences in emphasis or perspective across the original tools. Nevertheless, this categorization offers a cohesive and holistic overview of the SDLR dimensions, synthesizing them to provide clarity and accessibility. By offering a consolidated structure, this categorization lays a significant foundation for the development of a new SDLR measurement tool, facilitating a more standardized and comprehensive approach to assessing individuals' readiness for SDL. This refined categorization is presented in Table 12 below, serving as an essential framework in this field of study.

Table 12

Categorization of SDLR Dimensions Across Identified SDLR Scales

Number	Dimension Category	Related Dimensions Grouped Together
1	Motivation	Learner motivation, Learning motivation, Motivation for learning, Motivation, love of learning, Reading Avidity, Desire for learning, Attitudes, Positive orientation to the future, Openness to learning opportunities
2	Collaborative Learning Activities	Learning activities, Active learning, Intentional learning, Continuity of learning activity, Enduring challenges, Learning strategies, Learning methods, learning with others, Effective learner, Effective learning, Availability, Interpersonal skills, Interpersonal communication
3	Knowledge	Ability to use basic study skills and problem-

	construction	solving skills, Utilizing skills, Creativity, Creative learning
4	Self-efficacy	Self-efficacy, Self-efficacy in learning, Self-confidence, Self-concepts
5	Self-Management	Self-management, Self-monitoring, Management of learning process, Ability to be Self-Regulating, Management of learning resources, Making a learning environment, Self-control, Internal attribution, Completing tasks
6	Self-Reflection and Evaluation	Awareness, Learning needs, Evaluating skills, Evaluation, Evaluation of learning outcome
7	Autonomy	Autonomy, Initiative and independence in learning, Independent learning, Informed acceptance of responsibility for their learning
8	Planning	Planning skills, Planning and implementing

The dimensions Learner motivation, Learning motivation, Motivation for learning, Motivation, Love of learning, Reading avidity, Desire for learning, Attitudes, Positive orientation to the future, and Openness to learning opportunities are grouped under “Motivation” due to their shared focus on driving enthusiasm and engagement in learning. These terms reflect various facets of motivation, including intrinsic and extrinsic drives (Motivation for learning, and Learning motivation), affective components (Desire for learning, and Love of learning), and behavioural traits (Reading avidity, and Openness to learning opportunities). Additionally, Attitudes, and Positive orientation to the future highlight beliefs shaping motivational behaviours. Together, they represent a cohesive framework for understanding the role of motivation in SDLR.

The dimensions Learning activities, Active learning, Intentional learning, Continuity of learning activity, Enduring challenges, Learning strategies,

Learning methods, Learning with others, Effective learner, Effective learning, Availability, Interpersonal skills, and Interpersonal communication are categorized under “Collaborative Learning Activities” due to their shared focus on engagement, interaction, and cooperation. These terms highlight purposeful and sustained learning efforts, where collaboration enhances individual and group outcomes. Key aspects include active engagement (Active learning, and Learning strategies), teamwork and interaction (Learning with others, and Interpersonal skills), and perseverance in challenges (Continuity of learning activity, and Enduring challenges). Dimensions such as Effective learning and Interpersonal communication emphasize the role of collaboration in achieving better outcomes, while the dimension, Availability reflects the supportive environment necessary for collaborative efforts. This grouping provides a cohesive framework for understanding the critical role of collaboration in SDLR.

The “Knowledge Construction” dimension captures the skills and approaches essential for actively developing and synthesizing knowledge in SDL. It includes study skills, problem-solving abilities, and creativity, which enable learners to critically engage with content and generate innovative ideas. This dimension emphasizes active processes like synthesizing, organizing, and applying knowledge meaningfully, moving beyond passive learning. As a key aspect of SDL, knowledge construction empowers learners to transform information into actionable understanding, providing a strong framework for assessing readiness to learn independently.

The “Self-Efficacy” dimension encompasses self-efficacy, self-efficacy in learning, self-confidence, and self-concept, all of which contribute to a learner's belief in their ability to achieve academic and personal goals. Self-efficacy refers to the belief in one's ability to succeed in specific tasks, essential for SDLR. High self-efficacy fosters confidence and persistence, key traits for overcoming challenges in independent learning. Self-efficacy in learning focuses on confidence in academic contexts, promoting resilience and adaptability. Self-confidence strengthens the learner's

capacity for independent study, while self-concept influences their willingness to take on challenges. Together, these elements highlight the psychological resources that empower learners to take responsibility for their learning, fostering autonomy, resilience, and sustained motivation.

The “Self-Management” dimension includes key elements such as self-management, self-monitoring, self-regulation, managing the learning process, and controlling resources. These components form a framework that supports learners in independently planning, organizing, and monitoring their learning activities, essential traits for successful SDL. Self-management involves structuring learning experiences, setting goals, and adjusting strategies to meet objectives. Self-monitoring and self-regulation ensure learners assess and adjust their progress, staying accountable. Managing learning resources and creating a conducive learning environment enhance the conditions for effective learning. Self-control, internal attribution, and task completion further emphasize resilience, discipline, and responsibility in learning. Together, these elements enable learners to take control of their educational journey and succeed in SDL contexts.

The “Self-Reflection and Evaluation” dimension includes key elements such as awareness, identifying learning needs, evaluating skills, evaluation practices, and assessing learning outcomes. These components are vital for learners to assess their understanding, skills, and progress, essential for SDLR. Awareness involves recognizing strengths, weaknesses, and knowledge gaps, encouraging proactive goal-setting and resource-seeking. Evaluating skills and practices enable learners to assess their performance and refine their approaches, promoting critical thinking and reflective practice. Assessing learning outcomes adds a results-oriented element, helping learners evaluate their goals and strategies. This dimension highlights the introspective and analytical skills that allow learners to self-regulate, improve, and enhance their readiness for SDL.

The “Autonomy” dimension encompasses key elements like independence, initiative, and responsibility in learning. It highlights the learner's ability to manage their educational journey, make decisions about their learning path,

and set and achieve goals without heavy reliance on external guidance. Autonomy reflects the capacity to operate independently, take initiative, and engage proactively with learning. Independent learning encourages critical thinking and problem-solving outside traditional instruction, while informed responsibility fosters accountability, goal-setting, and resilience. Together, these elements emphasize SDL, promoting independence, responsibility, and a proactive approach to lifelong education.

The “Planning” dimension focuses on the skills needed to set, organize, and achieve learning goals, which are crucial for SDLR. It involves setting SMART goals, managing time, and anticipating challenges to ensure steady progress. Planning skills enable learners to create clear learning pathways, prioritize tasks, and develop actionable steps. Planning and implementing go hand-in-hand, as effective plans require commitment and action, with continuous progress monitoring and adjustments. This dimension emphasizes accountability, discipline, and adaptability. Overall, “Planning” captures the essential process of setting goals, developing strategies, and following through, empowering learners to manage their educational journey and achieve long-term goals.

The categorized dimensions of SDLR collectively form a comprehensive framework that reflects the multifaceted nature of SDL. “Motivation” fosters intrinsic drive and resilience. “Collaborative Learning Activities” emphasize teamwork and interpersonal skills. “Knowledge Construction” focuses on problem-solving and creativity. “Self-Efficacy” highlights confidence and persistence. “Self-Management” involves organization, resource management, and personal regulation. “Self-Reflection and Evaluation” ensures continuous self-assessment and improvement. “Autonomy” emphasizes independence and responsibility. “Planning” combines goal-setting and execution. Together, these dimensions provide a solid foundation for SDL and future measurement tools.

Conclusion

This SLR offers an in-depth analysis of the measurement scales used to assess SDLR, highlighting these tools' diverse dimensions, attributes, and

historical development. As SDLR becomes increasingly recognized as an essential competency for lifelong learning and professional success, the findings emphasize its growing relevance across various educational and professional contexts.

The study reveals that while developed countries have made substantial contributions to SDLR research, a significant gap exists in studies from developing regions. This geographical imbalance highlights the need for further research in underrepresented areas, as SDLR plays a vital role in diverse educational systems globally. The study also notes an increasing interest in SDLR over the past decade, reflecting its rising importance in fostering adaptive learning skills essential in today's rapidly evolving knowledge economy.

A key aspect of this review is the identification and analysis of prominent SDLR measurement tools, such as the SDLRSNE and the Self-Rating Scale of Self-Directed Learning (SRSSDL), which are widely used across disciplines. However, the study highlights a lack of consensus on a universal SDLR measurement tool, underscoring the need for further refinement and standardization of these instruments to ensure their validity and applicability across various contexts.

Additionally, the review shows a trend toward integrating SDLR measurement tools in disciplines like health education and nursing, where SDLR is particularly critical. However, there is significant potential to extend SDLR research to other fields, such as technology and social sciences, where SDL is equally essential.

Finally, the study identifies 64 SDLR dimensions across 13 measurement tools and classifies them into eight categorized dimensions. This multidimensional framework offers valuable insights for future research to develop more robust, reliable, and context-sensitive SDLR measurement instruments.

In conclusion, this review significantly contributes to the understanding of SDLR measurement tools, offering a comprehensive framework for evaluating SDLR readiness. It sets the stage for future research aimed at standardizing SDLR assessments and expanding their application across

different educational disciplines and global regions, ultimately advancing the field of SDL.

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IMPACT OF EMOTIONAL INTELLIGENCE ON BUSINESS PERFORMANCE- A REVIEW

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ABSTRACT

Emotional Intelligence (EI) has emerged as a pivotal factor influencing business performance in contemporary organizational research. This review critically examines the relationship between EI and business performance, identifying existing research gaps and proposing future research directions. Despite extensive studies, inconsistencies persist regarding the extent and mechanisms through which EI impacts organizational outcomes. The primary objective of this review is to synthesize existing literature to elucidate the role of EI in enhancing business performance. Methodologically, this review analyzes 60 empirical studies sourced from reputable databases, including Taylor & Francis, Emerald, Elsevier, and Google Scholar. Findings indicate a generally positive correlation between EI and various performance metrics, such as employee productivity, job satisfaction, and organizational profitability. However, the strength of this relationship varies across contexts and is often mediated by factors like employee engagement and occupational stress. The review concludes that while EI contributes to improved business performance, its impact is contingent upon organizational culture, industry type, and the presence of supportive management practices. Recommendations for practitioners include integrating EI development into leadership training and employee development programs to foster a resilient and high-performing workforce.

Key words: Emotional Intelligence, Business Performance, Employee Productivity, Organizational Culture

Introduction

Emotional Intelligence (EI), defined as the ability to recognize, understand, and manage one's own emotions and the emotions of others, has garnered significant attention in organizational behavior studies. The concept, popularized by Goleman (1995), suggests that beyond cognitive intelligence, emotional competencies play a crucial role in workplace effectiveness. In the dynamic and competitive business environment, organizations are increasingly recognizing the importance of EI in driving performance outcomes.

In this review, business performance is conceived as a multidimensional concept that includes financial and non-financial consequences. Financial measures refer to the profitability and productivity of an organization and non-financial measures refer to employee engagement, job satisfaction, customer satisfaction, and effectiveness of leadership.

Emotional Intelligence (EI) is one of the soft skills that are given priority in this study as it has a cross-cutting effect on various processes and outcomes in an organization (Santa et al., 2023). In contrast to the other interpersonal skills which could be role specific, EI helps in individual self-control, in social interaction, the effectiveness of leadership, as well as team dynamics, thus making it a pre-requisite skill set at all levels of hierarchy and functional specialty.

Research Gaps

Despite the growing body of literature, several gaps persist. Firstly, there is a lack of consensus on the operationalization and measurement of EI, leading to varied interpretations and findings. Secondly, most studies have focused on individual-level outcomes, with limited exploration of EI's impact on organizational-level performance metrics. Thirdly, cultural and industry-specific variations in the EI-performance relationship remain underexplored, necessitating a more nuanced understanding of contextual factors.

Research Problem

The central research problem addressed in this review is: How does Emotional Intelligence influence business performance, and what are the mediating factors and contextual conditions that affect this relationship?

Research Objectives

1. To synthesize existing empirical evidence on the relationship between EI and business performance.
2. To identify mediating factors that influence the EI-performance linkage.

3. To explore contextual variables, such as industry type and organizational culture, that moderate this relationship.
4. To propose directions for future research that address existing theoretical gaps and methodological gaps in EI-business performance literature
5. To recommend practical implications for organizations to leverage EI in enhancing overall business performance.

Research Questions

1. What is the nature of the relationship between Emotional Intelligence and business performance?
2. What mediating factors influence the impact of EI on business performance?
3. How do contextual variables moderate the EI-performance relationship?
4. What strategies can organizations employ to leverage EI for improved performance outcomes?

Significance of Study

Understanding the impact of EI on business performance is vital for developing effective human resource practices, leadership development programs, and organizational policies. By elucidating the mechanisms through which EI influences performance, this review provides insights for practitioners aiming to enhance organizational effectiveness and for scholars seeking to advance theoretical frameworks in this domain.

Limitations

This review is constrained by the availability and quality of existing studies, which may vary in methodological rigor and contextual applicability.

Additionally, the cross-sectional nature of most studies limits the ability to infer causality. Future research employing longitudinal designs and diverse methodological approaches is necessary to address these limitations.

Literature Review

Theoretical Perspectives on Emotional Intelligence

Emotional Intelligence (EI) has evolved into a multidimensional construct with significant implications for organizational behavior, leadership, and workplace performance. While foundational models such as the Ability Model (Salovey & Mayer, 1990), the Mixed Model (Goleman, 1995), and the Trait Model (Bar-On, 1997) provided early frameworks for understanding EI, contemporary research has expanded upon these perspectives, integrating new theoretical approaches to enhance its conceptualization and applicability. Recent developments, including the Emotional Intelligence Competency Model (Boyatzis, 2009), the Emotional Capital Theory (Newman et al., 2014), and the Neuroscientific Perspective of EI (Zeidner et al., 2012), offer deeper insights into how EI functions within complex social and organizational environments.

Theoretical Advances in Emotional Intelligence

The Emotional Intelligence Competency Model proposed by Boyatzis (2009) builds upon Goleman's Mixed Model but emphasizes the development of EI as a set of learned capabilities rather than innate traits. This model identifies clusters of competencies categorized into self-awareness, self-management, social awareness, and relationship management, emphasizing that these skills can be systematically developed through experiential learning and coaching. Boyatzis argues that EI is not merely a personal attribute but a competency that contributes to leadership effectiveness, team cohesion, and organizational adaptability. Unlike earlier models, which often assume EI as a stable trait or cognitive ability, Boyatzis' approach underscores the dynamic and developmental nature of EI, aligning with contemporary leadership development programs. The

theoretical framework is very much in line with the empirical evidence reported by (Jinyoung Hwang, 2024; Kinnary et al., 2023) who illustrate that an emotionally intelligent leadership has a positive impact on employee engagement, job satisfaction and organizational profitability.

In contrast, the Emotional Capital Theory (ECT) (Newman et al., 2014) extends EI beyond individual competencies, positioning it as an asset that contributes to an organization's competitive advantage. This theory suggests that EI should be viewed as a form of social and emotional capital, where the collective emotional intelligence of an organization enhances employee engagement, innovation, and customer relations. ECT integrates economic and psychological perspectives, arguing that organizations with emotionally intelligent cultures foster greater resilience, adaptability, and long-term sustainability. Unlike earlier models that focused on individual-level EI, ECT provides a macro-level analysis, highlighting how EI contributes to organizational performance and stakeholder relationships. However, the challenge with this approach lies in operationalizing and measuring emotional capital across diverse organizational settings, as it depends on subjective perceptions and social interactions.

Moreover, the Neuroscientific Perspective of EI (Zeidner et al., 2012) offers a more biological and cognitive explanation of EI, utilizing advances in neuroscience to explore how emotional regulation, perception, and social cognition are processed in the brain. Neuroimaging studies indicate that the prefrontal cortex, amygdala, and limbic system play crucial roles in emotional regulation and decision-making, suggesting that EI is deeply rooted in neural mechanisms. This perspective challenges traditional models by demonstrating that EI is not solely a learned behavior but is also influenced by neurological structures and functions. For instance, individuals with high EI exhibit greater neural efficiency in emotional regulation, allowing them to navigate stress, conflict, and social interactions more effectively. While this approach provides empirical support for the biological basis of EI, it also raises ethical questions regarding the potential for cognitive enhancement techniques or neurobiological interventions to artificially modify EI-related capabilities.

Emotional Intelligence in Emerging Organizational Theories

As EI continues to gain recognition in organizational behavior, new theoretical integrations have emerged to explain its role in leadership, performance, and workplace well-being.

The Affective Events Theory (AET) (Weiss & Cropanzano, 1996) has been expanded to incorporate EI, positing that individuals with high EI are better equipped to interpret, manage, and respond to emotional events in the workplace. According to this theory, workplace experiences trigger emotional reactions that influence job performance, decision-making, and interpersonal interactions. Employees with higher EI can regulate their emotional responses more effectively, leading to improved conflict resolution and collaboration. This extension of AET emphasizes the role of emotional regulation and situational awareness, suggesting that EI serves as a buffer against workplace stressors. However, critics argue that AET's reliance on subjective emotional experiences makes it difficult to establish clear causal relationships between EI and workplace outcomes.

Furthermore, the Psychological Capital (PsyCap) Model (Luthans et al., 2007) incorporates EI as a key component of an individual's overall psychological resources. PsyCap consists of hope, efficacy, resilience, and optimism, all of which are influenced by an individual's ability to regulate emotions and navigate social complexities. Employees with high EI exhibit greater emotional resilience, allowing them to maintain motivation and productivity in the face of adversity. This model aligns with research suggesting that EI contributes to employee well-being, job satisfaction, and leadership effectiveness. However, while PsyCap provides a broader framework for understanding EI's role in workplace success, it does not fully address how organizational structures and external stressors may constrain an individual's ability to leverage their emotional intelligence.

Furthermore, Self-Determination Theory (SDT) (Deci & Ryan, 2000) has been applied to EI research to explore how emotionally intelligent individuals fulfill their psychological needs for autonomy, competence, and

relatedness. SDT suggests that individuals with high EI are better equipped to navigate interpersonal relationships and workplace challenges, leading to greater intrinsic motivation and job satisfaction. This aligns with research indicating that emotionally intelligent employees are more engaged, productive, and committed to their organizations. However, SDT's application to EI remains relatively underexplored, and further empirical research is needed to establish how EI directly influences the fulfillment of psychological needs in diverse workplace settings.

Critical Analysis and Future Directions

While these emerging theories provide deeper insights into the nature and implications of EI, several challenges remain in fully integrating EI into organizational behavior research. One major issue is the measurement of EI, as different models use varying assessment tools, ranging from self-report surveys to behavioral observations and neuroscientific methods. The reliance on self-reported EI measures, such as the Emotional Quotient Inventory (EQ-i) and the Mayer-Salovey-Caruso Emotional Intelligence Test (MSCEIT), introduces potential biases, as individuals may overestimate or misinterpret their emotional competencies. Future research must refine these measurement tools to enhance reliability and validity.

Additionally, while EI is often linked to positive workplace outcomes, its impact is context-dependent. Cultural differences, industry-specific demands, and leadership styles influence how EI manifests in different settings. For example, in collectivist cultures, EI may be more closely associated with social harmony and group cohesion, whereas in individualist cultures, it may be linked to personal achievement and career progression. This necessitates a more nuanced, context-aware approach to studying EI across different organizational environments.

Another area for future exploration is the dark side of EI. While high EI is generally associated with positive workplace outcomes, research suggests that individuals with high emotional intelligence may use their skills for manipulation, deception, or unethical behavior (Gaspar et al., 2021).

Understanding how EI can be misused and developing ethical guidelines for its application in leadership and management is a crucial area for future study.

The evolution of EI theories—from the foundational models to contemporary perspectives—reflects a growing recognition of the complexity of emotional competencies in personal and professional settings. The Emotional Intelligence Competency Model, Emotional Capital Theory, and Neuroscientific Perspective have expanded the understanding of EI, offering new insights into its development and application. Furthermore, emerging integrations with organizational theories, such as Affective Events Theory, Psychological Capital, and Self-Determination Theory, highlight EI's role in enhancing leadership, resilience, and workplace dynamics. However, challenges remain in measurement, contextual application, and ethical considerations. Future research must continue refining theoretical models, improving assessment tools, and exploring the diverse ways in which EI shapes organizational behavior and leadership effectiveness.

Thus, by adopting a multidisciplinary approach, scholars and practitioners can further advance the study of EI, ensuring its application remains both scientifically rigorous and practically relevant in today's dynamic workplace environments.

Empirical Findings on EI and Business Performance

Emotional Intelligence (EI) has gained widespread attention in organizational psychology and management research due to its purported impact on individual, team, and organizational performance. EI, broadly defined as the ability to perceive, understand, regulate, and utilize emotions effectively, has been linked to job performance, leadership effectiveness, team collaboration, and overall business success. However, despite a growing body of research, empirical findings on the EI-business performance relationship remain mixed, with some studies reporting

significant positive correlations and others questioning EI's incremental validity beyond established personality traits and cognitive abilities. This critical review synthesizes recent empirical findings and theoretical advancements in EI research, exploring its relationship with business performance while addressing ongoing debates regarding measurement, causality, and contextual factors.

Emotional Intelligence and Individual Job Performance

A significant body of empirical research suggests that EI positively influences individual job performance. A meta-analysis by O'Boyle et al. (2011) found a modest yet significant relationship between EI and job performance, suggesting that emotionally intelligent employees are more adept at managing workplace challenges. Similarly, Joseph and Newman (2010) concluded that EI contributes to job performance, particularly in roles requiring high emotional labor, such as customer service and healthcare.

Recent studies reinforce this connection. Miao et al. (2017) conducted a comprehensive meta-analysis and reported that EI positively correlates with job satisfaction and organizational commitment while reducing job stress. The authors identified self-regulation and emotional appraisal as key components of EI that enhance problem-solving and decision-making capabilities, leading to improved individual outcomes. Furthermore, a longitudinal study by Greenidge et al. (2021) found that employees with high EI exhibited greater adaptability in volatile business environments, translating to sustained performance over time.

However, some scholars have questioned the robustness of EI's predictive power regarding job performance. Landy (2005) argued that EI measures overlap with established personality constructs, such as conscientiousness and extraversion, thereby limiting their incremental validity. Additionally, Harms and Credé (2010) highlighted the potential presence of publication bias in EI research, cautioning that the true effect size of EI on job performance may be smaller than widely reported. Despite these critiques, the majority of empirical evidence supports the notion that EI enhances job

performance, particularly in emotionally demanding roles.

Emotional Intelligence and Leadership Effectiveness

Leadership effectiveness is another domain where EI plays a crucial role. Leaders with high EI are often better at recognizing and managing their own emotions, as well as those of their employees, leading to improved team dynamics and decision-making processes. Barling et al. (2000) found that EI enhances transformational leadership behaviors, which, in turn, positively impact employee productivity and commitment.

More recent research has expanded on these findings. Boyatzis et al. (2017) demonstrated that emotionally intelligent leaders cultivate positive organizational cultures that foster trust, motivation, and collaboration. Goleman et al. (2013) argued that EI-driven leadership improves employee engagement, reduces turnover rates, and enhances organizational resilience in times of crisis. Furthermore, a study by Zhang et al. (2020) found that CEOs with high EI are more likely to adopt participatory decision-making approaches, leading to increased employee satisfaction and innovation.

Despite these positive findings, the causal relationship between EI and leadership effectiveness remains debated. (Bhatt, 2024) cautioned that many EI-leadership studies rely on self-reported data, which may be subject to bias. Additionally, the impact of EI on leadership outcomes may be contingent on contextual factors, such as organizational culture and industry-specific demands. Future research should employ experimental and longitudinal designs to establish clearer causal links between EI and leadership effectiveness.

Emotional Intelligence and Team Performance

EI is also instrumental in shaping team performance, particularly in collaborative and high-pressure work environments. Druskat and Wolff (2001) found that teams with high collective EI experience fewer conflicts and demonstrate superior problem-solving capabilities. Similarly, Jordan and Troth (2004) reported that emotionally intelligent teams communicate

more effectively, leading to enhanced project outcomes and innovation.

Newer studies provide further support for these claims. Chang et al. (2012) introduced the concept of Collective Emotional Intelligence (CEI), which posits that teams with shared EI competencies perform better in dynamic work settings. Their findings suggest that teams with high CEI exhibit greater cohesion, adaptability, and resilience. Furthermore, a study by Kotsou et al. (2019) found that EI training programs for teams significantly improved group performance and interpersonal relationships, underscoring the practical implications of EI development initiatives.

However, some scholars question whether EI is a distinct predictor of team performance. Critics argue that factors such as cognitive diversity, shared leadership, and psychological safety may play a more significant role in determining team success than EI alone. Moreover, cultural differences influence how EI manifests in team interactions, with collectivist cultures placing greater emphasis on emotional harmony than individualistic cultures (Higgs & Lichtenstein, 2011). Future research should explore how EI interacts with other team-level variables to optimize performance across diverse organizational settings.

Emotional Intelligence and Organizational Performance

At the organizational level, EI has been linked to key business performance indicators, including customer satisfaction, employee engagement, and financial success. Wong and Law (2002) found that emotionally intelligent employees provide superior customer service, leading to higher client retention rates. Similarly, Miao et al. (2017) reported that organizations fostering EI among employees experience lower turnover rates and greater job satisfaction.

Recent studies further substantiate these findings. Lubit (2004) suggested that emotionally intelligent leaders contribute to sustainable competitive advantage by fostering a culture of innovation and adaptability. A study by The Financial Times (2023) highlighted that companies prioritizing

employee well-being, a factor closely linked to EI, tend to outperform peers in financial performance. Additionally, Kafetsios et al. (2022) found that organizations that integrate EI training into their leadership development programs report higher profitability and market competitiveness.

Despite these promising findings, the impact of EI on organizational performance is moderated by several factors. Organizational culture plays a crucial role, as companies with rigid hierarchies may not fully leverage the benefits of EI-driven leadership. Additionally, industry-specific factors influence the EI-performance relationship, with service-oriented sectors exhibiting stronger linkages than manufacturing industries (Jordan & Troth, 2011). Future research should explore how EI interventions can be tailored to different organizational contexts to maximize performance outcomes.

Critical Perspectives and Ongoing Debates

Despite the growing body of research supporting EI's positive impact on business performance, several debates persist. Measurement challenges remain a primary concern, as self-report EI assessments may be prone to social desirability bias. Scholars advocate for the use of ability-based EI measures, such as the Mayer-Salovey-Caruso Emotional Intelligence Test (MSCEIT), to enhance measurement reliability (Conte, 2005).

Causality issues also pose a challenge, as most studies establish correlational rather than causal relationships between EI and business outcomes. Longitudinal and experimental research designs are needed to determine whether EI actively drives business performance or merely correlates with other success factors. Furthermore, cultural differences in EI perception and expression highlight the need for cross-cultural studies to examine how EI competencies translate across diverse organizational settings (Higgs & Lichtenstein, 2011).

Additionally, empirical researches overwhelmingly support the positive relationship between EI and business performance, though the strength and consistency of this relationship vary depending on contextual factors. EI enhances individual job performance, leadership effectiveness,

team dynamics, and overall organizational success, particularly in emotionally demanding roles and service-oriented industries. However, ongoing debates regarding measurement validity, causality, and cultural considerations necessitate a cautious interpretation of findings. Future research should focus on refining EI assessment tools, employing rigorous methodological approaches, and exploring cross-cultural nuances to provide a more comprehensive understanding of EI's role in business performance. By addressing these challenges, organizations can more effectively integrate EI principles into their strategic management practices, fostering sustainable competitive advantage and long-term success.

Measurement of the impact of Emotional Intelligence on business performances

The impact of Emotional Intelligence (EI) on business performance can be measured through various quantitative and qualitative methods that assess its influence on key organizational outcomes. One common approach is the use of performance appraisal tools that link EI to specific business metrics such as employee productivity, job satisfaction, and leadership effectiveness (Goleman, 1995; Wong & Law, 2002). For example, EI is often assessed using the Mayer-Salovey-Caruso Emotional Intelligence Test (MSCEIT), a widely recognized tool designed to measure EI through tasks that evaluate individuals' ability to perceive, use, understand, and manage emotions (Mayer, Salovey, & Caruso, 2004). In organizations, EI's impact is often measured by correlating scores on these assessments with performance indicators such as team performance, decision-making quality, and customer satisfaction (Supramaniam & Singaravelloo, 2021). Furthermore, research has demonstrated that leaders with high EI tend to foster better work environments, leading to increased organizational profitability and improved employee engagement (Goleman, 2001). EI's influence on organizational culture and stress management also plays a significant role in shaping business outcomes, with EI being shown to mediate the relationship between stress and job performance (Cherniss, 2010). These findings are often derived from longitudinal studies and

correlational analyses that track performance over time in relation to EI scores (Schutte et al., 2007). The ability to integrate EI into leadership development programs further enhances its measurable impact on business performance (Goleman, 2001). By combining these assessment tools and linking them to organizational success, businesses can quantify the benefits of EI in improving both individual and collective performance outcomes.

Drawbacks of implementation of strategies identified on Emotional Intelligence

Emotional Intelligence (EI) has garnered significant attention in both academic research and business practice due to its potential to enhance various organizational outcomes. However, despite its popularity, the relationship between EI and business performance is not without its complexities and challenges. While numerous studies suggest that EI has a positive impact on business performance, several failures and limitations persist, preventing a clear and universally applicable understanding of how EI influences organizational success. These challenges can be categorized into several key areas: inconsistent measurement of EI, contextual and organizational factors, limitations in translating EI to tangible business outcomes, and ethical concerns regarding the overemphasis on EI in leadership.

Inconsistent Measurement of Emotional Intelligence

One of the major limitations in understanding the impact of EI on business performance is the lack of consistent measurement. Researchers have used various models and tools to measure EI, leading to inconsistent results across studies. The two most commonly used models of EI are the ability model and the mixed model. The ability model, pioneered by Salovey and Mayer (1990), defines EI as the ability to perceive, understand, manage, and regulate emotions. This model is typically measured using performance-based tests, such as the Mayer-Salovey-Caruso Emotional Intelligence Test (MSCEIT), which assesses individuals' ability to accurately identify

emotions, facilitate thought, understand emotional language, and manage emotions. In contrast, the mixed model proposed by Goleman (1995) combines both emotional skills and personality traits, including self-awareness, empathy, and motivation. The Bar-On Emotional Quotient Inventory (EQ-i) is often used to assess EI based on this model.

Moreover, the inconsistency in the use of these differing tools and definitions has led to mixed findings regarding the extent of EI's impact on business performance. Some studies report that EI strongly correlates with positive organizational outcomes such as job satisfaction, productivity, and employee engagement (Brackett, Rivers, & Salovey, 2011), while others suggest only a modest or negligible relationship (O'Boyle et al., 2011). Without standardized and universally accepted tools for measuring EI, it becomes difficult to draw definitive conclusions about the causal relationship between EI and business performance.

Contextual and Organizational Factors

Another key limitation is the role of contextual factors in moderating the relationship between EI and business performance. Research has shown that the effectiveness of EI in enhancing business outcomes is not universal, but rather depends on the organizational context, including industry type, organizational culture, and leadership style. For example, in some industries where technical expertise or cognitive intelligence is prioritized over interpersonal skills, EI may have a limited impact on performance. Conversely, in sectors that require frequent collaboration, emotional awareness, and conflict resolution, such as healthcare, education, and customer service, EI may play a more crucial role (Mayer, Salovey, & Caruso, 2004).

Organizational culture also plays a significant role in determining the success of EI initiatives. Companies that foster an open, supportive, and emotionally intelligent culture are more likely to see positive results from EI-focused training programs. However, in organizations with rigid

hierarchical structures, poor communication, or a toxic work environment, the application of EI may be less effective. For instance, research indicates that even though EI may positively influence interpersonal relationships within teams, it may have limited success in improving organizational performance if the broader organizational culture does not align with these emotional competencies (Cherniss, 2010).

Additionally, leadership style is a crucial factor that determines how EI impacts business performance. Transformational leaders, who are known for their ability to inspire, motivate, and build strong relationships with their employees, may benefit more from EI than transactional leaders, who focus on task completion and formal rewards. Therefore, the way EI interacts with organizational leadership and culture needs to be considered when assessing its influence on performance outcomes.

Limitations in Translating EI to Tangible Business Outcomes

While emotional intelligence has been linked to various positive outcomes such as improved employee engagement, job satisfaction, and interpersonal relationships, translating EI into tangible business results, such as profitability or productivity, remains a challenge. Although many studies demonstrate that EI contributes to improved individual well-being and interpersonal effectiveness, it does not always lead to direct and measurable improvements in business performance. This discrepancy can be attributed to several factors.

First, while EI may enhance interpersonal dynamics and reduce workplace conflict, these improvements do not necessarily result in increased output or profitability. For example, EI may improve team collaboration and decision-making, but without clear performance goals, adequate resources, and effective organizational strategies, these improvements may not be reflected in financial or productivity metrics (Goleman, 2001). Moreover, in some cases, individuals with high EI may be able to navigate workplace challenges more effectively, but they may not always possess the skills or

expertise required to contribute to strategic decision-making or operational efficiency (Cherniss, 2010). Thus, while EI may be beneficial for individual well-being and relational outcomes, its direct contribution to organizational success is often difficult to quantify.

Another limitation is the time lag between EI interventions and measurable business outcomes. Training programs designed to enhance EI, such as emotional regulation workshops or leadership development programs, may take months or even years to manifest in improved business performance. Additionally, the transferability of EI skills learned in training to real-world business contexts is often questioned, as employees may struggle to apply emotional intelligence principles effectively in high-pressure situations or when organizational conditions do not support EI development (O'Boyle et al., 2011). This issue highlights the need for a more integrated approach to EI training, one that includes ongoing support, organizational buy-in, and clear performance metrics.

Ethical Concerns and Overemphasis on Emotional Intelligence

Another failure in understanding the impact of EI on business performance is the ethical dilemma surrounding the potential misuse of EI in leadership. While EI can be a powerful tool for fostering emotional well-being and improving workplace dynamics, there is a risk that leaders may use their emotional awareness to manipulate others for personal gain or to create false perceptions of competence (Goleman, 2001). Leaders with high EI may be able to influence and motivate their teams effectively, but they may also exploit their emotional understanding to gain personal advantages or manipulate others emotionally. This ethical concern highlights the potential for EI to be misused in ways that harm the integrity of organizational practices and employee trust.

Furthermore, there is a risk that organizations may place too much emphasis on EI at the expense of other critical leadership competencies, such as technical expertise or strategic thinking. Focusing disproportionately on EI

could lead to the selection and promotion of leaders based solely on their emotional capabilities, rather than their ability to contribute to long-term organizational success (Mayer et al., 2004). This narrow focus on EI could lead to imbalanced leadership development programs, neglecting other essential leadership skills and qualities.

While emotional intelligence has considerable potential to enhance business performance, its impact is not without certain limitations. The inconsistencies in measurement tools, the moderating influence of organizational and contextual factors, the challenges in translating EI into measurable business outcomes, and ethical concerns regarding its application all contribute to the complexity of assessing the true value of EI in organizational settings. Future research should address these gaps by developing more standardized measurement tools, examining the interplay between EI and other organizational factors, and exploring how EI can be effectively integrated into leadership practices to foster sustainable business growth.

Methodology

This review employs a systematic literature review (SLR) to synthesis and critically analyze 60 peer-reviewed articles from Taylor & Francis, Emerald, Elsevier, and Google Scholar. The selection criteria included relevance to EI and business performance, empirical rigor, and publication within the last two decades. Thematic analysis was conducted to identify recurring patterns and relationships across studies.

Conclusion

The investigation into the impact of Emotional Intelligence (EI) on business performance has grown significantly over the last few decades, with a wide array of scholarly articles and empirical studies shedding light on the significance of EI in various organizational contexts. The analysis of current literature reveals that emotional intelligence plays a pivotal role in

influencing both individual and collective performance within businesses. This review examined key aspects of EI, such as self-awareness, self-regulation, motivation, empathy, and social skills, and how these components contribute to superior decision-making, effective leadership, and enhanced organizational outcomes.

The critical review identified several findings that emphasize EI's contribution to business performance. For instance, research consistently highlights the importance of EI in leadership effectiveness, with emotionally intelligent leaders displaying higher levels of employee engagement, satisfaction, and performance. Additionally, EI has been shown to positively influence communication, conflict resolution, and decision-making within organizations, all of which are critical drivers of organizational success. The studies reviewed from Taylor & Francis, Emerald, Elsevier, and Google Scholar reinforced the view that EI contributes significantly to creating a healthy organizational culture, fostering trust, and reducing stress, which ultimately supports high business performance.

Furthermore, the review established that EI is essential in enhancing teamwork and collaboration. Emotionally intelligent employees and managers are better equipped to handle interpersonal relationships and manage group dynamics, leading to more cohesive and productive teams. The ability to perceive and understand emotions in oneself and others enables individuals to effectively manage emotions within a business setting, reducing conflict and promoting cooperation. This, in turn, contributes to the achievement of business goals and the enhancement of organizational performance.

Despite the promising findings, several gaps and inconsistencies in the literature were also identified. For instance, while there is broad consensus regarding the importance of EI in leadership and decision-making, less attention has been paid to how EI interacts with other variables, such as organizational culture, employee motivation, and job satisfaction.

Additionally, much of the existing research on EI and business performance remains inconclusive regarding the long-term effects of EI on organizational performance, especially in different industry contexts.

Moreover, a notable limitation across the reviewed studies is the reliance on self-report measures to assess EI, which may lead to biases in the data. Several researchers argue that emotional intelligence is a complex and multi-faceted construct that cannot be fully captured through self-reported questionnaires alone. This necessitates a deeper exploration of alternative measurement techniques, such as 360-degree feedback or behavioral observations, to provide more robust and reliable results. Future research should aim to address these methodological limitations and offer a more comprehensive understanding of how EI affects business performance over time.

Recommendations

Based on the findings from the critical review, several recommendations can be made for both future research and practical implementation within organizations. These recommendations aim to strengthen the link between EI and business performance, address existing research gaps, and guide organizational leaders in leveraging EI for improved outcomes.

1. **Enhancing Emotional Intelligence through Training Programs:**
Given the demonstrated benefits of EI in business performance, organizations should invest in training programs aimed at enhancing the emotional intelligence of their employees. These programs can focus on key EI competencies such as self-awareness, empathy, emotional regulation, and interpersonal communication. Training should not be limited to leadership teams but extended to employees at all levels, as EI can influence performance at both the individual and group levels. There is significant evidence to suggest that organizations that integrate EI into their training programs report higher levels of employee satisfaction, increased productivity, and improved collaboration.

2. **Integration of EI in Recruitment and Selection Processes:** Organizations should consider incorporating emotional intelligence assessments as part of their recruitment and selection processes. By assessing candidates' EI during hiring, companies can identify individuals who are better equipped to handle interpersonal challenges, manage stress, and contribute to a positive work environment. Furthermore, hiring managers should be trained to recognize the signs of emotional intelligence in candidates, ensuring that EI is adequately evaluated alongside technical skills and experience.
3. **Adopting a Longitudinal Approach to Research:** Future research on EI and business performance should adopt a longitudinal approach to examine the long-term effects of EI on organizational outcomes. While many studies have demonstrated a positive correlation between EI and short-term performance indicators such as job satisfaction and leadership effectiveness, there is a lack of studies that track the sustained impact of EI on business performance over time. A longitudinal perspective will help determine whether the positive effects of EI endure and how they evolve in different business contexts.
4. **Exploring the Role of EI in Organizational Culture:** While the review highlighted the importance of EI in leadership and team performance, there is a need for more research into how EI interacts with organizational culture. Organizational culture can influence how EI is perceived and practiced within a business. Future studies should explore how EI and organizational culture mutually shape employee behavior, attitudes, and overall performance. Understanding this dynamic relationship will enable organizations to foster a culture that supports emotional intelligence and enhances business outcomes.
5. **Refining EI Measurement Techniques:** Given the concerns regarding the reliability of self-reported EI measures, future research should explore alternative methods of assessing EI. 360-

degree feedback, peer assessments, and behavioral observations could provide a more objective and accurate measure of emotional intelligence. By employing multiple assessment techniques, researchers can obtain a more holistic view of EI and its impact on business performance, overcoming the limitations of self-reporting.

6. **Addressing Industry-Specific Variations:** While EI has been shown to enhance business performance across various sectors, it is important to consider industry-specific variations in its impact. Future research should examine how EI affects business performance in different industries, such as manufacturing, technology, healthcare, and finance. By understanding the contextual factors that influence the relationship between EI and performance, organizations can tailor their EI strategies to meet the unique demands of their industry.
7. **Fostering Emotional Intelligence in Remote Work Environments:** The rise of remote work has changed the dynamics of business performance, with emotional intelligence playing an even more critical role in maintaining team cohesion, communication, and motivation. Organizations should focus on promoting EI in remote and hybrid work settings, where face-to-face interactions are limited. Virtual training programs, team-building exercises, and regular feedback loops can help employees develop EI competencies that are essential for navigating the challenges of remote work environments.
8. **Collaborative Research with Practitioners:** To bridge the gap between academic research and practical application, future research on EI should involve greater collaboration between researchers and business practitioners. Researchers should work closely with organizations to design studies that are relevant to real-world business challenges and yield actionable insights. This collaborative approach will ensure that the findings from EI studies are more applicable and beneficial to organizations seeking to enhance their business performance.

9. Developing a Holistic Approach to EI in Business: Finally, businesses should adopt a holistic approach to emotional intelligence that goes beyond individual development and includes organizational-wide strategies. This approach should include leadership development programs, organizational culture initiatives, and comprehensive employee well-being programs that integrate emotional intelligence at every level. By creating a workplace environment that prioritizes EI, businesses can foster a culture of trust, collaboration, and innovation, all of which are crucial for sustained business success.

In summary, emotional intelligence is a critical factor influencing business performance across various organizational levels. The evidence from the literature suggests that EI contributes to better leadership, decision-making, teamwork, and conflict management, all of which are essential for improving organizational outcomes. While existing studies highlight the positive effects of EI on business performance, more research is needed to explore the long-term impact, alternative measurement techniques, and industry-specific variations.

The recommendations presented above offer practical guidance for organizations seeking to leverage emotional intelligence to enhance business performance. By investing in EI training, integrating EI into recruitment processes, and adopting a holistic approach to EI in business, organizations can foster an environment that supports both individual and collective success. Future research should continue to address the gaps identified in this review, ensuring that the full potential of emotional intelligence in improving business performance is realized.

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