

How Emotional Intelligence Builds Organisational Resilience in Pakistani SMES: Mediating and Moderating Mechanisms

Hamrila Binti Abdul Latif

Faculty of Economics and Business, Universiti Malaysia Sarawak, Malaysia

Suleman Anwar*

Faculty of Economics and Business, Universiti Malaysia Sarawak, 94300 Kota Samarahan,
Sarawak, Malaysia

* Corresponding Author Email: msulemananwar@gmail.com

DOI Link: <http://dx.doi.org/10.6007/IJARBSS/v16-i10/29162>

Published Date: 25 October 2026

Abstract

Organisational resilience is crucial for small and medium-sized enterprises (SMEs) in emerging economies that face ongoing economic instability, resource limitations, and environmental disruption. This study aims to find the relationship between Emotional Intelligence (EI) and Organisational Resilience (OR) mediated by Personal Resilience (PR) and moderated by Knowledge Management Practices (KMPs). The data were gathered from 348 senior decision-makers from SMEs in the Golden Triangle of Pakistan and analysed through Partial Least Squares Structural Equation Modelling (PLS-SEM) with the support of Dynamic Capabilities Theory. The results find that EI has a positive influence on PR and PR has a positive influence on OR. The specific indirect effect of EI on OR through PR was also positive and significant, which supports the mediating role of PR. KMPs have positive direct effects on OR, and they moderated the relationship between PR and OR in a negative way, showing that the more KMPs, the less the influence of PR on OR. The study expands the organisational resilience literature by incorporating three factors in the same framework: leadership capability, individual adaptability, and organisational knowledge processes and provides practical implications for enhancing SMEs' resilience in resource-limited companies.

Keywords: Emotional Intelligence, Personal Resilience, Organisational Resilience, Knowledge Management Practices, Smes, Pakistan

Introduction

The concept of organisational resilience is gaining more and more relevance in an increasingly unpredictable environment, marked by changing economic frameworks, global crises and

unprecedented technological changes, which evidences its relevance for sustained success and operational efficiency (Florez-Jimenez et al., 2025). SMEs, particularly those in developing nations, are more vulnerable to such disruptions due to financial limitations and restricted strategic capacity, along with low levels of institutional backing (Munna, 2025). The contribution of SMEs to GDP in Pakistan is around 40%, and they employ a significant portion of the non-agricultural population, which makes their survival and adaptability important for the economic stability of the country. In recent years, however, the pandemics, energy crisis, and inflationary pressure have revealed great vulnerability in their shock absorption and resilience (Yang & Fu, 2025).

The findings of the industrial clusters in Pakistan, including the Golden Triangle (Sialkot, Gujranwala and Gujrat), point to a significant drop in the performance of SMEs in recent disruptions. A significant drop in export volumes, production volumes, and employment has been reported from important industries (Shafi et al., 2020). These indicate more than just operational issues; however, they also point to structural and behavioural drawbacks in how SMEs cope with uncertainty. Most of the existing literature has been related to external factors, including financial access, supply chain disruption and policy interventions, but there is limited understanding of what capabilities are needed inside the organisation to adapt and recover well (Yang & Fu, 2025).

Pakistani SMEs lack structured mechanisms to develop resilience amid ongoing disruption. The recent industrial trends in the Golden Triangle region of Pakistan show a significant drop in the performance of SMEs, which presents serious resilience challenges. The Sialkot Chamber of Commerce and Industry (SCCI, 2023) reported that the export processing of sports goods and surgical goods fell by 38% in FY 2020-2021. Likewise, Gujranwala's fan and metal casting sectors saw a decline of 41% in production, mainly attributed to the energy crisis and volatile global supply chains (GCCCI, 2023). In Gujrat, the home appliance and furniture manufacturing sector saw a loss of 30-35% of its workforce, highlighting a significant loss of organisational resilience within the region's SME clusters (GTCCI, 2023).

Institutional weaknesses are also reflected in the post-pandemic assessments by the United Nations Industrial Development Organisation and the State Bank of Pakistan, showing that only 22% of SMEs had formal business continuity plans, and more than 60% of the assessed SMEs did not have internal systems to respond adaptively during long-term disruptions. The lack of strategic and psychological preparedness calls for an analysis of the internal factors which contribute to resilience, including psychological capacities and knowledge-based systems (State Bank of Pakistan, 2022; UNIDO, 2020).

Organisational resilience is now viewed as a multi-faceted phenomenon that goes beyond structural resources, becoming dependent not just on leadership capabilities and behavioural attributes, but also on knowledge-based processes (Polyviou et al., 2020). Emotional Intelligence, in particular, has also surfaced as a crucial leadership attribute closely related to enhanced decision-making, stress management, and social abilities (Singh et al., 2024). Emotionally intelligent leaders can more effectively understand and read the signals in the environment, control their emotional response to the signals and manage adaptive organisational behaviour (Makinde et al., 2025). However, the mechanisms through which emotional intelligence is linked to organisational resilience remain poorly understood,

particularly in the context of small and medium-sized enterprises (SMEs) in emerging economies (Bukhari & Jayasekara, 2025).

One potential mechanism is personal resilience, which reflects an individual's capacity to cope with adversity, maintain psychological stability, and adapt to challenging situations (Grygorenko & Naydonova, 2023). Personal resilience may act as a mediating pathway through which emotionally intelligent leaders translate their capabilities into broader organisational outcomes (Olaleye & Lekunze, 2024). At the same time, knowledge management practices represent a key organisational process that can either support or constrain resilience (I. Ali et al., 2023). While effective knowledge sharing and utilisation can enhance adaptability and innovation, rigid or poorly aligned knowledge systems may limit flexibility, particularly in culturally embedded and resource-constrained environments (Al Koliby et al., 2025).

Although previous research has established important relationships among managerial capabilities, organisational adaptability, and knowledge-based processes, the mechanisms connecting these capabilities remain insufficiently integrated. Carmeli (2003) demonstrated the relevance of emotional intelligence to managerial attitudes, behaviour, and organisational outcomes, whereas Duchek (2020) conceptualised organisational resilience through anticipation, coping, and adaptation capabilities. However, neither study directly examined personal resilience as the mediating mechanism connecting managerial emotional intelligence with organisational resilience. Similarly, Gold et al. (2001) established the organisational capability foundations of knowledge management, while Andreeva and Kianto (2012) examined its relationship with competitiveness and economic performance. More recently, Ali et al. (2023) investigated the contribution of knowledge management practices to supply-chain resilience. Although these studies demonstrate the organisational value of knowledge capabilities, they do not directly establish how knowledge management practices condition the relationship between managerial personal resilience and organisational resilience.

The present study addresses this specific theoretical and empirical gap by integrating emotional intelligence as a behavioural microfoundation, personal resilience as an adaptive psychological mechanism, and knowledge management practices as an organisational boundary condition within Dynamic Capabilities Theory (Teece, 2007). Its contribution therefore extends beyond combining established constructs: it examines how individual emotional capabilities are associated with organisational resilience through personal resilience and whether organisational knowledge capabilities alter the strength of this relationship. By identifying a positive direct association between knowledge management practices and organisational resilience alongside a negative moderating effect, the study provides a more conditional interpretation of capability relationships within resource-constrained SMEs.

Pakistan's Golden Triangle (Gujranwala, Gujrat, and Sialkot) provides a relevant context because its manufacturing SMEs face energy constraints, technological limitations, international quality requirements, and restricted organisational resources (UNIDO, 2020). These conditions highlight the importance of managerial adaptability and organisational knowledge in sustaining resilience.

Using data from 348 SME decision-makers, this study advances DCT by empirically examining the EI–PR–OR pathway alongside the moderating influence of KMPs. The findings reveal positive mediation, a positive direct association between KMPs and OR, and significant negative moderation. The study further refines the application of DCT by demonstrating that knowledge-management capabilities may contribute positively to organisational resilience while weakening its association with managerial personal resilience. This finding supports a conditional, rather than uniformly reinforcing, interpretation of capability relationships in resource-constrained SMEs.

Literature Review

Theoretical Foundation

Dynamic Capabilities Theory (DCT) proposed by Teece et al. (1997) and developed by Teece (2007) offers a comprehensive theoretical framework for understanding how organisations maintain competitive advantage in turbulent environments marked by changing technology, market volatility and uncertainty in the surrounding environment (Helfat et al., 2009; Teece et al., 1997). The main emphasis of DCT is on the capacity of the organisation to integrate, create and constantly reconfigure resources that are both internal and external to the organisation in order to survive according to the fluctuating environmental conditions, whereas with the Resource-Based View, it primarily stresses the possibility of having valuable resources inside the organisation. The theory has three elements that are mutually dependent: an ability to sense opportunities and threats; an ability to seize opportunities through timely strategic action; and an ability to transform organisational resources to ensure long-term competitiveness. These dynamic capabilities enable organisations not only to survive disruptions but also to adapt, recover, and emerge stronger following periods of uncertainty.

The significance of Dynamic Capabilities Theory is especially pronounced in the context of small and medium-sized enterprises (SMEs) that have limited resources, organisational slack, and increased exposure to environmental turbulence, which create a need to rely on adaptive managerial capabilities instead of large physical resources. Organisational resilience is a higher-order competency that allows SMEs to anticipate disruption, respond to unexpected events and continually renew organisational processes (Nongnuch et al., 2026). Resilience in developing countries like Pakistan is often heavily reliant on the leadership skills that facilitate quick learning, flexibility and adaptation within the organisation, especially given the economic volatility, institutional uncertainty and supply disruptions and resource constraints that are common in these environments. DCT therefore offers a suitable conceptual base to help understand the role that internal capacity plays in the process of resilience in the face of ongoing uncertainty.

Drawing upon this perspective, the present study conceptualises emotional intelligence as a managerial micro-foundational capability that enhances leaders' ability to sense environmental changes, interpret emotional and organisational cues, and make effective strategic decisions during periods of uncertainty. Personal resilience represents the psychological capability that enables leaders to cope with adversity, regulate stress, and translate emotional competencies into adaptive organisational responses (Pawłowska & Ihimbazwe Ndanguza, 2025; Shandilya & Bansal, 2025). Knowledge management practices constitute organisational processes through which knowledge is created, shared, integrated,

and applied, thereby facilitating the reconfiguration of organisational resources and capabilities. Together, these individual and organisational capabilities interact to strengthen organisational resilience by enabling SMEs to learn, adapt, and respond effectively to environmental disruptions.

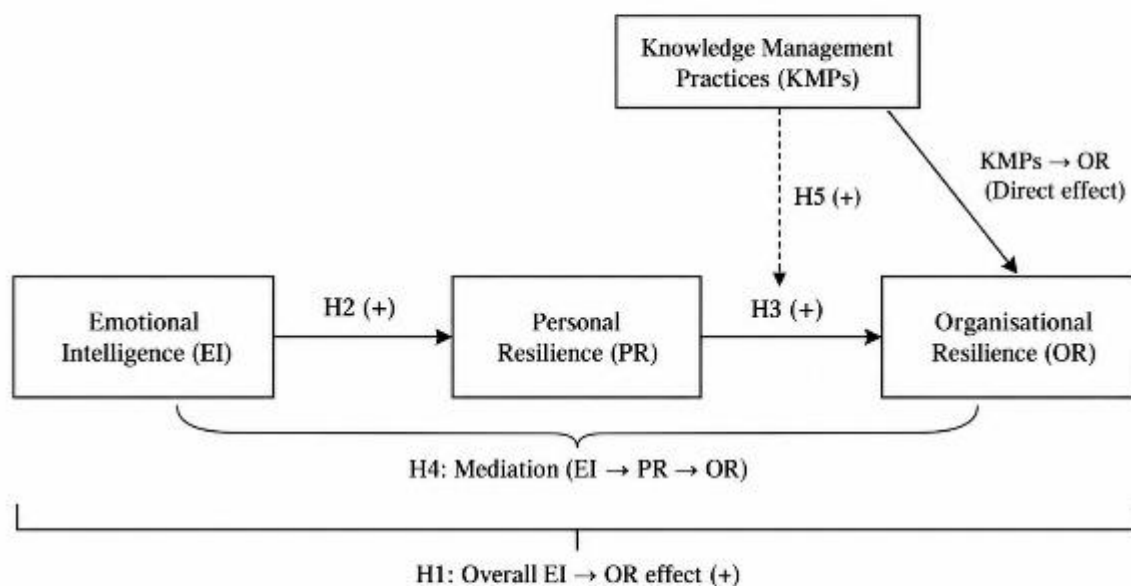
The theoretical rationale underlying the research model is therefore based on Dynamic Capabilities Theory. This theory suggests that emotionally intelligent leaders can more effectively develop psychological adaptability, which subsequently enables their organisations to make more effective decisions, acquire knowledge and reconfigure resources (Keskin et al., 2026). It also suggests that the effectiveness of these adaptive capabilities is contingent on organisational knowledge processes that influence the way individual competencies are transformed into organisational outcomes. This study advances the resilience literature by incorporating elements of emotional intelligence, personal resilience, and knowledge management within a cohesive framework of Dynamic Capabilities and provides a complete account of the psychological and organisational processes that enable SMEs to become resilient in resource-poor and uncertain contexts.

The Dynamic Capabilities perspective provides the conceptual basis for understanding how leadership capabilities, individual psychological resources, and organisational processes interact to strengthen organisational resilience (Ahachmi et al., 2025). This theoretical perspective is used to review the literature on emotional intelligence, personal resilience, knowledge management practices, and organisational resilience in the following sections. The review summarises the available empirical evidence, identifies gaps and inconsistencies in the existing literature and builds the theoretical foundation that supports the proposed hypotheses and conceptual framework.

Hypothesis Development

In this section, testable hypotheses are formulated regarding the relationships between emotional intelligence, personal resilience, knowledge management practices and organisational resilience, based on the literature and theory studied. Empirical data and conceptual arguments support each of the hypotheses. Prior research, mostly in the field of leadership, psychology and knowledge management, indicates the directionality of relationships. The conceptual framework is presented below:

As illustrated in Figure 1, the proposed framework examines the overall effect of Emotional Intelligence on Organisational Resilience, with Personal Resilience serving as the mediating mechanism through which this relationship may operate. The framework also reflects the direct link between Knowledge Management Practices and Organisational Resilience and their moderating influence on the relationship between Personal Resilience and Organisational Resilience. The conceptual framework is represented by the five hypotheses that are developed below.

Figure 1: Conceptual Framework

H1: Emotional Intelligence (EI) has a positive effect on Organisational Resilience (OR). Emotionally intelligent leaders create emotionally supportive environments, handle uncertainty better, and keep morale high in times of crisis. Studies have shown that EI enhances adaptive capacity and strategic responsiveness to create organisational resilience (Wagstaff & Tamminen, 2021).

H2: Emotional Intelligence (EI) positively influences Personal Resilience (PR). Leaders with high EI are better at regulating their emotions and coping with adversity. This makes them more personally resilient in stressful and uncertain environments (Gómez-Leal et al., 2021; Salovey & Mayer, 1990).

H3: Personal Resilience (PR) positively influences Organisational Resilience (OR). When leaders recover from stress, they contribute positively to team performance and organisational learning. Personal resilience builds the human foundation for organisational resilience (Caza & Milton, 2012; Fletcher & Sarkar, 2013).

H4: Personal Resilience (PR) mediates the relationship between Emotional Intelligence (EI) and Organisational Resilience (OR). EI improves emotional regulation and coping with stress, which increases PR; organised PR is a result of this individual capacity. Mediation evidence has been found in leadership-resilience studies (Fasey et al., 2022; Widakdo, 2022).

This study proposed a mediation hypothesis, positing that the relationship between emotional intelligence (independent variable) and organisational resilience (dependent

variable) is partially or fully mediated by personal resilience (Cawvey, 2023; Namazi & Namazi, 2016). This hypothesis aligns with the research questions and objectives by clarifying how emotional intelligence influences organisational resilience through the intermediary role of personal resilience (Arif et al., 2022; Khassawneh et al., 2022). This model holds emotional intelligence as the predictor and organisational resilience as the outcome, with personal resilience as the pathway through which emotional intelligence impacts organisational resilience.

While emotional intelligence has been demonstrated to have a positive impact on organisational resilience, the relationship is sometimes referred to as incomplete and/or context-specific. Several studies suggest that the relationship between EI and organisational resilience can be indirect, mediated by psychological capacities between the two, including personal resilience, motivation, or psychological capital (Carmeli, 2003; Makhanya, 2024; Sarrionandia et al., 2018). The inclusion of personal resilience as a mediator in this study has theoretical justification in Psychological Capital Theory, which recommends that the ability to recover, persevere, and remain positive enhances emotional strengths, ultimately improving performance (Kuşcu Karatepe et al., 2022; Luthans et al., 2007). This study does not use Psychological Capital Theory as its main approach, but it does provide a useful lens into the mediating role of personal resilience. In addition, this is supported further by the Upper Echelons theory which proposes that the psychological and emotional processes of the upper-level managers influence organisational outcomes indirectly via leadership attributes, including emotional intelligence. In this context, personal resilience is one such mechanism that can harness the impact of emotional strengths to build organisational resilience. (A. Ali et al., 2023; Hambrick & Mason, 1984).

In high-stress, uncertain environments such as those faced by Pakistani SMEs, the presence of emotionally intelligent leaders may not be sufficient to build organisational resilience unless those leaders themselves exhibit high personal resilience. Thus, the mediation of PR is not only theoretically justified but empirically necessary to capture the whole pathway through which EI affects OR. This model also reflects empirical studies that demonstrate the importance of the role that personal resilience plays as a filter between internal emotional regulation and external adaptive capacity in enhancing leadership efficacy (Kuntz et al., 2017; Kuntz et al., 2016; Troy et al., 2023).

H5: Knowledge Management Practices (KMPs) positively moderate the relationship between Personal Resilience (PR) and Organisational Resilience (OR).

Knowledge Management Practices have the potential to have an impact on the contribution of individual-level resilience to organisational-level resilience by impacting how experience, knowledge and adaptive responses are captured, shared and used within the organisation. The role of KMPs varies from strengthening to weakening the link between Personal Resilience and organisational resilience outcomes, depending on the design and contextual fit of the KMPs (Andreeva & Kianto, 2012; Iqbal, 2021).

Knowledge management practices are included in the model as a moderating factor based on the premise that organisational systems do not operate uniformly across all cultural and institutional contexts. In high-restraint cultures with high collectivism and hierarchical norms,

and low tolerance for ambiguity, such as Pakistan, Indonesia, Nigeria, Azerbaijan and Bangladesh, KMPs can either facilitate or hinder the manifestation of emotionally intelligent leadership as per their design and contextual fit (Aliyev, 2023).

In these settings, formalised knowledge systems can emphasise solely bureaucratic norms that can impede innovations, emotional agility, and bottom-up problem-solving. This makes the moderating effect of KMPs particularly context-sensitive. This model does not presume that all KMPs increase the likelihood of achieving all strategic outcomes, but rather examines how they either reinforce or undermine the link between personal and organisational resilience. The moderation hypothesis in this study is theoretically supported by Contingency Theory which states that the system and leadership practices should be consistent with contextual factors for effectiveness (Chatterjee et al., 2024). This is reinforced by cross-cultural literature, which emphasises the need for cultural sensitivity and constraints in the implementation of organisational practices.

The addition of KMP as a moderator also makes this model applicable in other culturally restricted and developing contexts, where it yields insights into the different emotional and cognitive styles of leadership in non-Western SMEs.

The mediation and moderation designs employed in the study are also based on the conditional process analysis model proposed by Preacher et al. (2007). This framework supports the inclusion of both mediators (personal resilience) and moderators (knowledge management practices) to test complex causal mechanisms and identify boundary conditions affecting the linkage between emotional intelligence and organisational resilience. Therefore, the overall, direct, indirect, and moderated pathways predicted in the conceptual framework (Preacher et al., 2007) are collectively tested by H1 to H5.

Measures of Study

The present study operationalised its theoretical constructs using established, validated measurement instruments drawn from the existing literature. Four latent constructs were measured, namely Emotional Intelligence (EI), Personal Resilience (PR), Knowledge Management Practices (KMPs), and Organisational Resilience (OR). They were selected because they are theoretically relevant, widely utilised in empirical research, and have demonstrated reliability and validity in organisational research. The scales were slightly modified as needed to make them more understandable and appropriate for Pakistan's SMEs while preserving the conceptual meaning of the original scales.

The Emotional Intelligence construct was assessed with the Wong and Law Emotional Intelligence Scale (WLEIS), which was one of the most widely used scales to measure emotional intelligence in organisations (Wong & Law, 2002). Personal Resilience was evaluated with an adapted short version of the Connor-Davidson Resilience Scale (CD-RISC), as modified by Campbell-Sills and Stein (2007), which measures personal capacity to adapt, recover and thrive in challenging circumstances. The measures of Knowledge Management Practices were adapted mainly from an organisational knowledge capability framework suggested by Gold et al. (2001), and the knowledge strategy view of Zack (1999) and the innovation-oriented knowledge application measures of Wang and Ahmed (2004). Organisational Resilience was measured using a newly integrated organisational-level

instrument developed from the resilience literature, drawing principally on the works of Duchek (2020), Kantur and Say (2015), Lengnick-Hall et al. (2011), McManus et al. (2008), Somers (2009), Mallak (1998), Bruneau et al. (2003), Stephens et al. (2013), and Vogus and Sutcliffe (2007).

Emotional Intelligence and Personal Resilience were measured as individual-level constructs using first-person statements, while Knowledge Management Practices and Organisational Resilience were measured using explicit organisational-level constructs ("Our organisation..."), filled in by key organisational leaders. A 5-point Likert scale (Strongly Disagree to Strongly Agree) was used for all items. Prior to the main survey, the instrument was pretested using 50 individuals from SMEs to ascertain the clarity and context of the instrument and the initial psychometric properties.

Methodology

This study adopted a quantitative, cross-sectional survey design to examine the relationships among Emotional Intelligence (EI), Personal Resilience (PR), Knowledge Management Practices (KMPs), and Organisational Resilience (OR) within Pakistan's SME sector. The study was carried out in the Golden Triangle of Punjab (GTUP), which consists of three cities, Gujranwala, Gujrat and Sialkot, an industrial region with a significant cluster of small and medium enterprises (SMEs).

A probability-based simple random sampling approach was employed. A sampling frame, which was compiled from institutional and business-directory sources, was screened for duplications, operational status, geographical eligibility, traceability, respondent eligibility and conformity to the appropriate SME definition. The unit of analysis was the SME, and the unit of observation and key informant was a senior organisational decision-maker. The respondents included owners, chief executive officers, managing directors, general managers, and other senior decision-makers who have strategic responsibility and have served in the organisation for at least one year.

The assessment of EI and PR was conducted on an individual level, as first-person statements, while the assessment of KMPs and OR was conducted on an organisational level, as explicit organisational referent cues. This design allowed for the study to assess interdependent relationships between individual senior leaders' abilities and firm-level outcomes while providing construct-level referents. Senior decision makers are likely to have more than one strategic and operational role in SMEs, and so have a wide knowledge of organisational practice, culture, systems and responses to disruption. Their position makes them suitable key informants for assessing organisational-level constructs while also reporting their own individual capabilities.

Common Method Bias

Common method bias was taken into consideration in the design of the questionnaire and statistical assessment since data were collected from one key informant per SME in a cross sectional manner. Procedural remedies involved the separation of conceptually distinct constructs, explicit referent cues for individual-level and organisational-level measures, respondent anonymity, and not collecting personally identifiable information. All measures

were designed to decrease respondents' tendency to infer relationships between constructs, and to limit method-related response patterns.

The variance inflation factor (VIF) was used to assess collinearity. All inner-model VIF values (Table 1) were below 3.3, indicating that problematic collinearity was not evident in the structural model. Although this reduces concern regarding substantial inflation of the estimated relationships, common method bias cannot be completely excluded because the study relied on self-reported data obtained from a single respondent within each participating SME.

Table 1
Inner Model Collinearity Statistics

Inner model list	VIF
EI → PR	1
KMPs → OR	1.883
PR → OR	2.149
KMPs × PR → OR	1.332

Data Collection Procedure

Two phases of fieldwork were implemented to ensure instrument clarity, contextual appropriateness, and congruence with the proposed measurement model. First, a pilot study involving 50 eligible SME respondents was carried out in December 2025 in Gujranwala, Gujrat, and Sialkot. The pilot evaluated the clarity of the items, the flow of responses, the appropriateness of the context, and the feasibility of the questionnaire. These data were not used in the main study and were held as a separate data set and used for instrument refinement and preliminary reliability assessment.

After refinement of the questionnaire, a major study was carried out in January and February 2026. After screening the registered firms against the eligibility criteria according to the SBP definition of SMEs, geographical location, operational status and traceability, the sampling frame was reduced to 500 SMEs who met the eligibility criteria. Each SME was assigned a unique identification number, and Microsoft Excel's random number generation function was used to create the selection sequence. From this frame, 460 SMEs were selected for recruitment. Where a selected SME declined participation or could not be contacted after the prescribed follow-up attempts, replacement proceeded sequentially from a pre-randomised reserve list. This procedure maintained the original probability structure and eliminated the use of the investigators' discretion in the choice of replacement firms.

A total of 365 completed questionnaires were returned, which equated to a 79.35% response rate. A total of 348 questionnaires were kept after screening for eligibility, completeness, duplicate responses and data integrity of the respondents. This represented a usable response rate of 75.65% of invited SMEs and a usability rate of 95.34% of completed questionnaires.

Eligibility screening established that each of the respondents had strategic decision-making responsibilities, and that each had served in an organisation for a minimum of 12 months. One knowledgeable key informant represented each participating SME. The sampling unit and unit of analysis were thus the SME, and the unit of observation was the senior decision-maker who responded on behalf of the firm. Understanding these levels is valuable since the multilevel relationships must be aligned with the theories as well as the measurement and analysis (Klein & Kozlowski, 2000; Lim & Moon, 2021; Ma et al., 2022; Szukits & Móricz, 2024). Senior owners, directors and executives were chosen as they have significant influence over organisational strategy, resource allocation and decision-making for resilience. In SMEs, especially in the Golden Triangle of Pakistan, most of the top managers manage multiple functional areas like operations, human resources and strategic planning. This gives them an integrative view of organisational systems and practices and makes them suitable informants for constructs such as KMPs and OR (Braojos et al., 2024; Dehghani et al., 2022; Hair et al., 2021).

To maintain a consistent alignment of the constructs within each response session, EI and PR were presented as self-assessments of the individual, while the KMPs and ORs were preceded by clear organisational referent instructions to respond as the organisation. This allowed for the linkage between individual-level leader capabilities and organisational-level outcomes in the firm, while minimising ambiguity in intended response level (Davidsson, 1989; Kawimbe, 2024; Salmon & Singleton, 2025).

Results

The structural model investigates the relationships between Emotional Intelligence (EI), Personal Resilience (PR), Knowledge Management Practices (KMPs) and Organisational Resilience (OR). Emotional Intelligence is illustrated as an antecedent to Personal Resilience, and the latter then acts as a facilitator to Organisational Resilience. The overall effect of Emotional Intelligence on Organisational Resilience is also examined, along with the indirect effect working through Personal Resilience. The Knowledge Management Practices (KMPs) are conceptualised as a direct predictor of Organisational Resilience and as a moderator of the relationship between Personal Resilience and Organisational Resilience by the interaction term (KMPs $\times$ PR).

Measurement Model

The measurement model was assessed in terms of internal consistency reliability, convergent validity, and discriminant validity. As reported in Table 2, Cronbach's alpha values ranged from 0.922 to 0.968, exceeding the recommended threshold of 0.70 and indicating satisfactory internal consistency. Composite reliability values (ρ_c) ranged from 0.937 to 0.971, further supporting the reliability of the four constructs. Also, the ρ_A values were greater than 0.90 for all constructs.

The Average Variance Extracted (AVE) was used to evaluate convergent validity. AVE scores were 0.565 for Emotional Intelligence, 0.552 for Knowledge Management Practices, 0.655 for Organisational Resilience and 0.606 for Personal Resilience. Convergent validity was confirmed since all the AVEs were higher than the recommended value of 0.50.

Table 2

Measurement Model Values

Variable	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
EI	0.968	0.969	0.971	0.565
KMPs	0.946	0.947	0.953	0.552
OR	0.964	0.964	0.968	0.655
PR	0.922	0.923	0.937	0.606

The Fornell-Larcker criterion was used for discriminant validity. As shown in Table 3, the square root of the AVE for each construct was greater than its correlations with the other constructs. The diagonal values were 0.752 for Emotional Intelligence, 0.743 for Knowledge Management Practices, 0.809 for Organisational Resilience, and 0.779 for Personal Resilience. The results suggest that the four constructs were empirically separate, and support discriminant validity.

Table 3

Fornell and Larcker Criterion

	EI	KMPs	OR	PR
EI	0.752			
KMPs	0.572	0.743		
OR	0.645	0.695	0.809	
PR	0.673	0.684	0.735	0.779

Structural Model

Organisational Resilience (OR) is regarded as the main endogenous variable, whereas Emotional Intelligence (EI) is considered the main exogenous variable in the structural model. The overall effect of EI on OR was tested for H1, and Personal Resilience (PR) was modelled as a mediator between EI and OR. Hence, the direct effect of EI on PR and the direct effect of PR on OR were estimated along with the indirect effect of EI on OR through PR. The Knowledge Management Practices (KMPs) were presented as a predictor of OR, and the moderator of the relationship between PR and OR was presented as the interaction term KMPs $\times$ PR. This allowed the study to evaluate the contribution of EI to OR and the mediating effect of PR, and the moderating effect of KMPs.

Figure 2 below presents the structural model results, indicating that emotional intelligence has a significant positive effect on personal resilience, which in turn significantly influences organisational resilience.

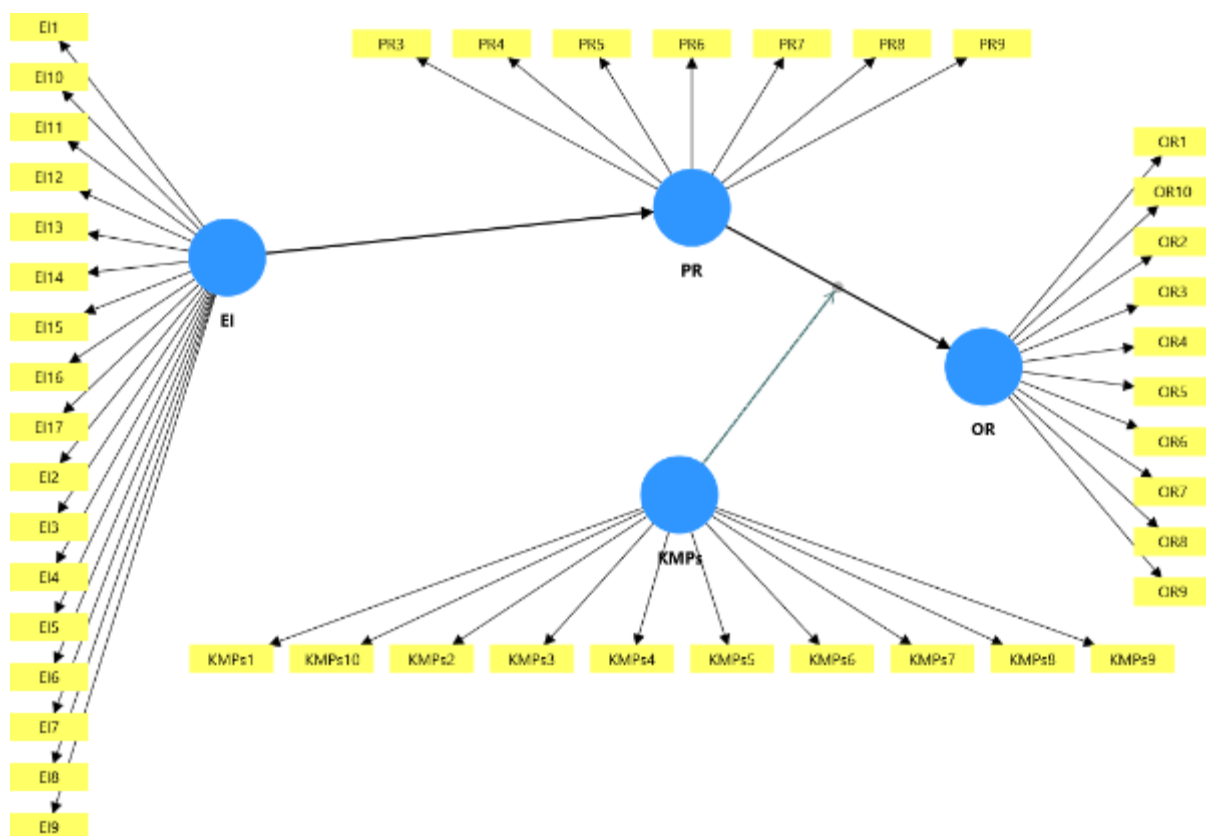


Figure 2 Structural Model

Direct, Indirect, and Total Effects

The structural model was evaluated in SmartPLS 4 with bootstrapping to calculate the standard errors, t-statistics, p-values, and confidence intervals of the estimated effects. The interpretation is limited to the standardised path coefficients (β), reflecting the strength and sign of the relationships between constructs in the model. This is especially relevant in the SME context in Pakistan, where firms are constrained by resources, are often informal, and are more likely to be exposed to market disruptions, and where leadership-related abilities and organisational practices hold particular relevance in explaining resilience outcomes.

Table 4 reports a positive and statistically significant total effect of Emotional Intelligence on Organisational Resilience ($\beta = 0.364$, $p < 0.001$), thereby supporting H1. This coefficient represents the overall EI-OR effect within the specified model and should not be interpreted as a separate direct EI $\rightarrow$ OR path coefficient. The mechanism underlying this overall relationship is subsequently examined through the specific indirect effect involving Personal Resilience.

The component structural effects are also presented in Table 4. There is a positive and statistically significant relationship between Emotional Intelligence (EI) and Personal Resilience (PR) ($\beta = 0.692$, $p < 0.001$), which means emotionally intelligent SME leaders in Pakistan are more likely to develop and exhibit adaptive coping, emotional regulation, and psychological endurance in challenging business conditions. This aligns with the challenges that Pakistani SME owners typically experience, such as cash flow volatility, workforce, supply chain and regulatory uncertainty, which require an emotionally intelligent approach to self-management and interpersonal judgements.

Table 4

Hypothesis Testing and Structural Effects

Hypothesis	Path	β	p	Decision
H1	EI $\rightarrow$ OR (total effect)	0.364	< 0.001	Supported
H2	EI $\rightarrow$ PR	0.692	< 0.001	Supported
H3	PR $\rightarrow$ OR	0.526	< 0.001	Supported
H4	EI $\rightarrow$ PR $\rightarrow$ OR (specific indirect effect)	0.364	< 0.001	Supported
H5	KMPs $\times$ PR $\rightarrow$ OR	-0.214	0.004	Not supported (significant negative direction)

Note: For H1, β represents the total effect of EI on OR. For H4, β represents the specific indirect effect of EI on OR through PR. The H1 coefficient should therefore not be interpreted as a separate direct EI $\rightarrow$ OR path coefficient.

Personal Resilience also shows a positive and significant effect on Organisational Resilience (OR) ($\beta = 0.526$, $p < 0.001$). In the SME sector, organisational resilience is frequently driven by the capacity of the leader to stay calm in the face of crisis, bounce back from failure and utilise the company's resources to maintain continuity and flexibility.

Knowledge Management Practices (KMPs) have a positive and significant direct effect on OR ($\beta = 0.357$, $p < 0.001$), which means that if any SME is undertaking systematic processes for knowledge acquisition, sharing, and exploitation, it is better equipped to face disruptions and to learn from operational challenges. This is practically relevant in the Pakistani setting as informal routines are prevalent and knowledge can be locked within the individuals unless intentional practices make it transferable and usable.

Finally, the interaction effect (KMPs $\times$ PR $\rightarrow$ OR) is negative and statistically significant ($\beta = -0.214$, $p = 0.004$). This implies that the positive relationship between PR and OR is reduced as KMPs increase. One possible explanation for the Pakistani SMEs is that highly formalised or process-oriented knowledge practices might partially replace, limit or redirect the leader's personal coping-oriented adaptability, leaving PR with less added value to organisational resilience.

The mediation hypothesis is assessed through the specific indirect effect reported in Table 4. The indirect pathway EI $\rightarrow$ PR $\rightarrow$ OR is positive and statistically significant ($\beta = 0.364$, $p < 0.001$), with a 95% confidence interval that does not cross zero. Substantively, this supports the mechanism that emotionally intelligent leadership strengthens organisational resilience in Pakistani SMEs by first building the leader's personal resilience, which then translates into organisational-level adaptive capacity.

Discussion

This study examines how emotional intelligence (EI) contributes to organisational resilience (OR) in SMEs through the mediating role of personal resilience (PR) and the moderating influence of knowledge management practices (KMPs). Drawing on Dynamic Capabilities

Theory (DCT), the findings provide a multi-level explanation of resilience by linking individual capabilities with organisational outcomes. Overall, the results offer strong support for the proposed framework and reveal important contextual perspectives, particularly regarding the role of knowledge management practices.

Emotional Intelligence as a Micro-Foundation of Organisational Resilience

Results indicate that the overall effect of emotional intelligence on organisational resilience is significant and positive, supporting H1. This relationship is realised through the intervening role of personal resilience, as reflected in the significant specific indirect effect examined subsequently. The result supports the conceptualisation of EI as a micro-foundational sensing capability within DCT. Leaders who are emotionally intelligent seem to have a greater understanding of the uncertainty of the environment, greater control over their emotions and a better ability to direct their organisation through disruption.

This overall relationship works through quality of decision-making, emotional regulation and relational coordination. Leaders with a higher EI are less likely to make quick or reactive decisions, and more likely to build psychological safety and trust in their companies. Such behaviours reinforce a sense of collective adaptability, which allows SMEs to withstand shocks and adapt their operations accordingly.

This result aligns with previous studies linking emotional intelligence to adaptive leadership and organisational effectiveness. The present study, however, builds on this literature by placing EI within a dynamic capabilities framework and empirically showing its applicability to the SME context of a developing economy. This research is distinctive in its focus on EI as an important characteristic of resilient leadership in the context of uncertainty and resource limitations, rather than as a general leadership quality.

Personal Resilience as an Adaptive Mechanism

The results further confirm that emotional intelligence significantly enhances personal resilience, which in turn positively influences organisational resilience. This confirms the mediating effect of PR and strengthens the argument that individual level adaptive capacities are important to organisational outcomes.

Theoretically, personal resilience acts as a transformation enabling mechanism in DCT. EI helps leaders detect and process signals in their environment, whereas PR helps them maintain performance, psychological and emotional balance, and adaptive responses during stress. In SMEs, this micro-to-macro translation process is especially significant as organisational outcomes are more associated with those of top management.

The findings align with prior studies that emphasise the importance of resilience in leadership and crisis management. This study, however, advances the literature as it provides empirical validation that personal resilience is a unique mediating construct and is not a combined measure of emotional or psychological constructs. In doing so, it clarifies the pathway through which emotional intelligence translates into organisational resilience, addressing a key gap in existing research.

The Unexpected Role of Knowledge Management Practices

One of the major findings is that knowledge management negatively moderates the link between personal and organisational resilience. Contrary to the prevailing notion that KMPs always lead to improved organisational performance, the findings indicate that the effect of KMPs is dependent on contextual and cultural factors.

Based on dynamic capabilities, KMPs should act as reconfiguration mechanisms which enable knowledge integration and adaptive responses. But the negative moderation found in this study suggests that, under some circumstances, KMPs can have the potential to hinder rather than support resilience. This discovery defies the linear paradigm of how “more knowledge management will lead to better performance” and suggests a more nuanced view of the way that knowledge processes work in practice.

Cultural and Contextual Explanation

The negative moderating effect of KMPs may be attributed to the cultural and institutional environment which is prevalent in the Pakistani SMEs. There are a number of cultural dimensions that provide potential explanations, but these were not applied to the empirical testing of this study.

First, the high power distance can result in a centralised decision-making process, in which the flow of knowledge is limited, and employees hesitate to share information openly. Formal Knowledge Management systems can have the negative effect on collaborative learning in such environments, reinforcing hierarchical control. Second, collectivist tendencies can also lead to knowledge hoarding within trusted circles, thus restricting more general organisational-level knowledge sharing. Third, uncertainty avoidance can cause adherence to standardised practices and procedures, which can decrease flexibility and response speed during crises.

These cultural traits may make KMPs more likely to become rigid and compliance-based, stifling adaptability. These systems can instead become bureaucratic, slow down decision-making, and mitigate the individual resilience effect, rather than facilitating the exchange of knowledge. In this context, highly resilient individuals might face limitations on their adaptation where processes within the organisation are not designed to meet the needs of an ever-changing environment.

Comparison with Prior Literature

The finding of a negative moderating effect contrasts with much of the existing literature, which generally reports a positive relationship between knowledge management practices and organisational performance or resilience. Previous studies have largely conceptualised KMPs as direct enablers of innovation, learning, and adaptability. However, these studies are mostly conducted in developed economies or are based on the assumption of a well-functioning organisational system.

The present study contributes to this literature by demonstrating that the effectiveness of KMPs is context-dependent. Knowledge management in emerging economies may not work as intended due to resource limitations, informal structures and cultural influences. This aligns with emerging critical perspectives in knowledge management research, which argue

that formal systems can become counterproductive if they are not aligned with organisational culture and behavioural realities.

Furthermore, this finding complements recent calls for greater attention to the “dark side” of management practices, in which well-intentioned organisational systems produce unintended consequences. This paper empirically challenges the conventional assumption and provides a new research direction for context-related knowledge management.

Integrated Theoretical Insight

The results offer a multi-level explanation of organisational resilience in the dynamic capabilities framework. Emotional intelligence operates as a sensing mechanism, allowing leaders to sense and react to cues in the environment. These capabilities are translated by personal resilience into sustainable action. Knowledge management practices, as reconfiguration processes, shape the extent to which individual capabilities can be effectively leveraged at the organisational level.

However, the effectiveness of this capability system is contingent on alignment. When knowledge management practices are flexible, inclusive, and supportive, they can amplify the impact of individual capabilities. On the other hand, when they are rigid, hierarchical or culture-bound, they can have a negative effect on the relationship between individual resilience and organisational outcomes.

Implications for Theory and Practice

The results indicate the need for a multi-level and contextual analysis of organisational resilience. They emphasise that resilience is not the result of individual capability or organisational systems, but a result of the interaction between them. This means that for the practitioners, especially the leaders of SMEs, investments in leadership development must be supported by the careful design of the organisational processes. For researchers, the results point to the need for more context-sensitive models that account for cultural and institutional variations in capability development.

These findings both align with and extend prior research. While earlier studies have consistently reported a positive role of emotional intelligence in enhancing organisational outcomes, the present study provides a more in-depth explanation by identifying personal resilience as a key mediating mechanism. Moreover, unlike previous studies of knowledge management practices in developed economies which report a positive impact, this study shows a context-dependent and potentially negative impact, pointing to the significance of institutional and cultural conditions.

Theoretical Contribution

This study makes several important contributions to the literature on organisational resilience, leadership, and dynamic capabilities.

First, it contributes to the development of Dynamic Capabilities Theory (DCT) by explicitly capturing emotional intelligence as a micro-foundational sensing capability in SMEs. This study empirically shows how emotional intelligence is linked to managerial cognition in the development of dynamic capabilities, as prior literature has broadly recognised the link

between managerial cognition and dynamic capabilities. It takes DCT beyond cognitive and structural perspectives to include emotional and behavioural elements.

Second, the study contributes by conceptualising personal resilience as a distinct adaptive mechanism that mediates the relationship between emotional intelligence and organisational resilience. This research distinguishes between individual-level and organisational-level resilience, and empirically links individual-level capabilities to organisational outcomes, as opposed to earlier research where resilience was treated as a general or aggregated construct. This multi-level clarification addresses a critical gap in resilience literature.

Third, the study offers a novel reconceptualisation of knowledge management practices (KMPs) by demonstrating their contingent and potentially counterproductive role. The results contradict the prevailing idea that KMPs are uniformly positive for the outcomes of an organisation, finding instead that knowledge processes can negatively moderate adaptability in certain cultural and organisational contexts. This contributes to the emerging discourse on the “dark side” of management practices and highlights the importance of contextual alignment.

Fourth, the study contributes to the resilience perspective with empirical evidence from SMEs in a developing economy. Much of the existing literature is based on developed country settings, limiting its generalisability. This research situates the analysis within the SME sector in Pakistan and proposes how cultural dimensions, institutional constraints, and resource limitations could affect the functioning of dynamic capabilities.

The study proposes a multi-level, context-sensitive model of organisational resilience, amalgamating emotional, behavioural and knowledge-based capabilities in a single theoretical framework.

Managerial Implications

The findings of this study offer several practical implications for SME owners, leaders, and policymakers seeking to enhance organisational resilience in uncertain environments.

Developing Emotionally Intelligent Leadership

SMEs need to focus on the systematic development of emotional intelligence among top management as one of the major competencies required for effective management in volatile and uncertain environment. This can be achieved through structured leadership development programmes that emphasise emotional awareness, self-regulation, and empathy, thereby enhancing leaders’ ability to understand and manage personal and organisational emotions. Additionally, integrating emotional intelligence assessment tools into recruitment and promotion processes can help ensure the selection and advancement of individuals with strong emotional competencies. In addition, learning about crisis communication, conflict management and stress regulation through practical training can help leaders build the skills they need in dealing with organisational challenges more effectively. The interventions are likely to enhance the quality of managerial decision-making and reinforce organisational responsiveness in times of disruption.

Building Personal Resilience in Management Teams

Organisations should deliberately allocate resources to enhance their leaders' personal resilience as a means to better manage uncertainty and complexity. This can be achieved by implementing resilience-building training sessions specifically designed around adaptive coping strategies, being flexible with thoughts and ideas, and techniques for thinking differently about the challenges encountered, allowing leaders to be flexible in how they respond to challenges. It is also important for organisations to promote a holistic approach to well-being, including proper workload management and mental health support, to prevent burnout and sustain long-term productivity. Moreover, encouraging peer support within management teams can help build collective resilience, sharing knowledge, supporting one another emotionally, and solving problems together.

Redesigning Knowledge Management Practices

The negative moderating effect of knowledge management practices (KMPs) signifies the importance of their careful design and context-sensitive implementation within organisations. SMEs should use more adaptive and user-oriented knowledge systems to allow flexibility and responsiveness, rather than overly rigid and bureaucratic ones which might limit flexibility and responsiveness. This includes the establishment of informal knowledge-sharing mechanisms along with formal knowledge-sharing mechanisms to enable the transfer of tacit knowledge and experiential learning. Furthermore, by promoting cross-functional cooperation, hierarchical knowledge silos can be broken, and an integrated organisational learning environment can be created. Another key factor is the integration of knowledge management activities into the existing organisational culture so they can be utilised effectively and meaningfully. In this regard, SMEs should prioritise flexible and adaptive knowledge systems over purely formalised processes to better support resilience and dynamic decision-making.

Enhancing Organisational Flexibility

Managers should ensure that organisational structures function as enablers, particularly in volatile and uncertain environments. This requires a deliberate shift towards decentralised decision-making, enabling quicker and more contextually informed responses across organisational levels. Furthermore, during crisis situations, unnecessary procedures and formalities can be minimised to improve the agility of the organisation and avoid delays in actions. It is also crucial to foster an environment that promotes learning, trial, and ongoing improvement, which in turn nurtures adaptability and creative troubleshooting. These structural and cultural changes have the potential to significantly enhance the ability of an organisation to deal effectively with disruption and maintain performance over time.

Policy-Level Implications

For policymakers and SME support institutions, there is a clear imperative to design and implement targeted interventions that enhance both leadership capacity and organisational adaptability within the SME sector. This involves creating specialised training courses that emphasise emotional intelligence and personal resilience to empower SME leaders in dealing with the complex and uncertain business landscape effectively. Context-specific knowledge management practices can help ensure that knowledge management systems are relevant and feasible in the local organisational context. Policymakers should also encourage efforts to create organisational learning and flexibility to improve the sustainability of SMEs over the

long term. The results indicate that resilience can only be gained when leadership skills, individual adaptability and organisational systems are aligned.

Limitations and Future Research Directions

First, the cross-sectional design limits causal inference. Second, the use of self-reported data may introduce common method bias, despite statistical checks. Third, the study is specific to Pakistan and may not be generalizable to other parts of the world. Longitudinal designs would yield more causal understanding of these relationships in future studies.

Although the sample comprised both manufacturing and service-sector SMEs, sector-specific analyses were not undertaken. Future research should include sector-stratified comparisons to highlight key sector patterns in the aspects of Emotional Intelligence (EI), Personal Resilience (PR), and Knowledge Management Practices (KMPs) given the differences in the importance of tacit knowledge, innovation, and emotional labour in the respective sectors. Additionally, the conceptual framework can be enhanced by exploring the roles of mediating and moderating variables, such as organisational culture and leadership styles, which could provide a more diversified understanding of these dynamics. Inter-country industry-specific studies might reveal how these constructs differ across impact sectors and how cultural factors affect them. Moreover, analysing how external factors, such as economic conditions and regulatory changes, influence these relationships could inform the development of a more robust model and advance the field of organisational resilience.

Conclusion

This study examined how Emotional Intelligence (EI) contributes to Organisational Resilience (OR) among SMEs in Pakistan through the mediating role of Personal Resilience (PR) and the moderating influence of Knowledge Management Practices (KMPs). Drawing on Dynamic Capabilities Theory, the study provides a multi-level explanation of organisational resilience by linking individual-level leadership capabilities with organisational-level adaptive processes within the resource-constrained and uncertain context of Pakistan's Golden Triangle.

The findings demonstrate a positive and significant overall effect of EI on OR, providing support for H1. EI significantly enhances PR, while PR, in turn, contributes positively to OR. The significant and indirect effect of EI on OR via PR further validates the role of personal resilience as an important pathway between EI and OR. The results suggest that organisational systems and resources are not the only factors that contribute to resilience: senior decision makers' psychological and emotional capacities also play a role in how firms respond to disruption and uncertainty.

The results also reveal that KMPs have a significant positive direct influence on OR, confirming the importance of knowledge acquisition, sharing, integration, and application in strengthening organisational adaptability. However, the moderating effect of KMPs on the relationship between PR and OR was significant but negative. As H5 proposed a positive moderating influence, this hypothesis was therefore rejected. The negative interaction suggests that higher levels of KMPs weaken the positive contribution of PR to OR rather than strengthening it. The result suggests that knowledge management practices may not necessarily improve the impact of individual resilience under all organisational circumstances,

and their effectiveness can rely on the flexibility and context in which they are designed and put into practice.

The study therefore contributes to Dynamic Capabilities Theory by demonstrating that organisational resilience emerges through the interaction of emotional, psychological, and knowledge-based capabilities rather than through any single organisational resource. From a practical perspective, Pakistani SMEs should focus on developing emotionally intelligent leadership and individual resilience, while also maintaining knowledge management processes that are agile and accessible to the business and not too rigid or limiting.

The study confirms that resilient SMEs need to have capable leadership and supportive organisational systems. Emotional intelligence and personal resilience offer key supports for adaptive leadership, and knowledge management practices can directly contribute to organisational resilience. Their relationship with personal resilience, however, is more complex and highlights the importance of developing personal resilience according to a context-sensitive approach within SMEs under continuous uncertainty.

Funding

This research received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors.

Conflict Of Interest

The authors declare that there is no conflict of interest regarding the publication of this article.

Data Availability Statement

The data that support the findings of this study are available from the corresponding author upon reasonable request. Due to confidentiality and privacy considerations, the data are not publicly available.

Informed Consent

Informed consent was obtained from all participants included in the study. Participation was voluntary, and respondents were informed of the purpose of the research before completing the questionnaire.

References

- Ahachmi, M., Lahfidi, A., Rhazzane, S., & Tamanine, R. (2025). Dynamic capability theory as a foundation for organizational resilience: Key factors influencing gastronomic firms in the COVID-19 context. *International Journal of Accounting, Finance, Auditing, Management and Economics*, 6(1), 23–44. <https://doi.org/10.5281/zenodo.14634372>
- Al Koliby, I. S., Noor, N. H. M., Al-Swidi, A. K., Al-Hakimi, M. A., & Mehat, N. A. B. (2025). Enhancing sustainable performance among manufacturing SMEs: The interplay of knowledge management and organizational structure. *Discover Sustainability*, 6, Article 469. <https://doi.org/10.1007/s43621-025-01351-1>
- Ali, A., Jiang, X., Ali, A., & Qadeer, A. (2023). A moderated mediation model linking entrepreneurial leadership to green innovation: An upper echelons theory perspective. *Creativity and Innovation Management*, 32(1), 41–57. <https://doi.org/10.1111/caim.12538>
- Ali, I., Golgeci, I., & Arslan, A. (2023). Achieving resilience through knowledge management practices and risk management culture in agri-food supply chains. *Supply Chain Management: An International Journal*, 28(2), 284–299. <https://doi.org/10.1108/SCM-02-2021-0059>
- Aliyev, V. (2023). Assessment of the impact of Azerbaijani culture on management based on Hofstede's approach. *Polish Journal of Management Studies*, 27(2), 7–22. <https://doi.org/10.17512/pjms.2023.27.2.01>
- Andreeva, T., & Kianto, A. (2012). Does knowledge management really matter? Linking knowledge management practices, competitiveness and economic performance. *Journal of Knowledge Management*, 16(4), 617–636.
- Arif, A. L., Rivai, H. A., & Yulihastri. (2022). Impact of job stress on job performance of health worker with work life balance as mediating variable. *Management Analysis Journal*, 11(1), 103–109. <https://doi.org/10.15294/maj.v11i1.55012>
- Braojos, J., Weritz, P., & Matute, J. (2024). Empowering organisational commitment through digital transformation capabilities: The role of digital leadership and a continuous learning environment. *Information Systems Journal*, 34(5), 1466–1492.
- Bruneau, M., Chang, S. E., Eguchi, R. T., Lee, G. C., O'Rourke, T. D., Reinhorn, A. M., Shinozuka, M., Tierney, K., Wallace, W. A., & von Winterfeldt, D. (2003). A framework to quantitatively assess and enhance the seismic resilience of communities. *Earthquake Spectra*, 19(4), 733–752. <https://doi.org/10.1193/1.1623497>
- Bukhari, W., & Jayasekara, B. E. A. (2025). Integration of emotional and social intelligence for SME sustainability in emerging markets: A conceptual paper for proactive resilience in national leadership. *Sri Lankan Journal of Management*, 30(1), 77–97. <https://doi.org/10.33939/SLJM.30.01.04.2025>
- Campbell-Sills, L., & Stein, M. B. (2007). Psychometric analysis and refinement of the Connor-Davidson Resilience Scale (CD-RISC): Validation of a 10-item measure of resilience. *Journal of Traumatic Stress*, 20(6), 1019–1028. <https://doi.org/10.1002/jts.20271>
- Carmeli, A. (2003). The relationship between emotional intelligence and work attitudes, behavior and outcomes: An examination among senior managers. *Journal of Managerial Psychology*, 18(8), 788–813. <https://doi.org/10.1108/02683940310511881>
- Cawvey, M. (2023). Mobilizing the shy and closed-minded into politics: The mediating role of political trust for conventional participation in the Americas. *Political Science Quarterly*, 138(3), 377–400. <https://doi.org/10.1093/psquar/qqad058>

- Caza, B. B., & Milton, L. P. (2012). Resilience at work: Building capability in the face of adversity. In K. S. Cameron & G. M. Spreitzer (Eds.), *The Oxford handbook of positive organizational scholarship* (pp. 895–908). Oxford University Press.
- Chatterjee, S., Mikalef, P., Khorana, S., & Kizgin, H. (2024). Assessing the implementation of AI integrated CRM system for B2C relationship management: Integrating contingency theory and dynamic capability view theory. *Information Systems Frontiers*, 26(3), 967–985. <https://doi.org/10.1007/s10796-022-10261-w>
- Davidsson, P. (1989). Continued entrepreneurship and small firm growth [Doctoral dissertation, Stockholm School of Economics]. Economic Research Institute, Stockholm School of Economics.
- Dehghani, M., Kennedy, R. W., Mashatan, A., Rese, A., & Karavidas, D. (2022). High interest, low adoption: A mixed-method investigation into the factors influencing organisational adoption of blockchain technology. *Journal of Business Research*, 149, 393–411. <https://doi.org/10.1016/j.jbusres.2022.05.015>
- Duchek, S. (2020). Organizational resilience: A capability-based conceptualization. *Business Research*, 13, 215–246. <https://doi.org/10.1007/s40685-019-0085-7>
- Fasey, K. J., Sarkar, M., Wagstaff, C. R. D., & Johnston, J. (2022). Understanding organizational resilience in elite sport: An exploration of psychosocial processes. *Psychology of Sport and Exercise*, 62, Article 102236. <https://doi.org/10.1016/j.psychsport.2022.102236>
- Fletcher, D., & Sarkar, M. (2013). Psychological resilience: A review and critique of definitions, concepts, and theory. *European Psychologist*, 18(1), 12–23. <https://doi.org/10.1027/1016-9040/a000124>
- Florez-Jimenez, M. P., Lleo, A., Ruiz-Palomino, P., & Muñoz-Villamizar, A. F. (2025). Corporate sustainability, organizational resilience, and corporate purpose: A review of the academic traditions connecting them. *Review of Managerial Science*, 19, 67–104. <https://doi.org/10.1007/s11846-024-00735-3>
- Gold, A. H., Malhotra, A., & Segars, A. H. (2001). Knowledge management: An organizational capabilities perspective. *Journal of Management Information Systems*, 18(1), 185–214. <https://doi.org/10.1080/07421222.2001.11045669>
- Gómez-Leal, R., Costa, A., Megías-Robles, A., Fernández-Berrocal, P., & Faria, L. (2021). Relationship between emotional intelligence and empathy towards humans and animals. *PeerJ*, 9, e11274.
- Grygorenko, Z., & Naydonova, G. (2023). The concept of “resilience”: History of formation and approaches to definition. *Public Administration and Law Review*, (2), 76–88. <https://doi.org/10.36690/2674-5216-2023-2-76-88>
- Gujranwala Chamber of Commerce and Industry. (2023). Gujranwala Chamber of Commerce and Industry. <https://www.gcci.org.pk/>
- Gujrat Chamber of Commerce & Industry. (2023). Gujrat Chamber of Commerce & Industry. <https://gtcci.org.pk/>
- Hair, J. F., Binz Astrachan, C., Moisesescu, O. I., Radomir, L., Sarstedt, M., Vaithilingam, S., & Ringle, C. M. (2021). Executing and interpreting applications of PLS-SEM: Updates for family business researchers. *Journal of Family Business Strategy*, 12(3), Article 100392. <https://doi.org/10.1016/j.jfbs.2020.100392>
- Hambrick, D. C., & Mason, P. A. (1984). Upper echelons: The organization as a reflection of its top managers. *Academy of Management Review*, 9(2), 193–206.
- Helfat, C. E., Finkelstein, S., Mitchell, W., Peteraf, M. A., Singh, H., Teece, D. J., & Winter, S. G. (2009). *Dynamic capabilities: Understanding strategic change in organizations*. Wiley.

- Iqbal, A. (2021). Innovation speed and quality in higher education institutions: The role of knowledge management enablers and knowledge sharing process. *Journal of Knowledge Management*, 25(9), 2334–2360. <https://doi.org/10.1108/JKM-07-2020-0546>
- Kantur, D., & Say, A. I. (2015). Measuring organizational resilience: A scale development. *Journal of Business, Economics and Finance*, 4(3). <https://doi.org/10.17261/Pressacademia.2015313066>
- Kawimbe, S. (2024). Analysis of failure causes of small-scale contractors in Zambia: Contractors' perspective. *Services for Science and Education*. <https://doi.org/10.14738/eb.352.2024>
- Keskin, H., Tatoglu, E., Akgün, A. E., & Balak, D. (2026). Unveiling the nexus of organizational intelligence, resilience capacity and financial performance. *Management Decision*, 64(5), 1908–1939. <https://doi.org/10.1108/MD-12-2023-2284>
- Khassawneh, O., Mohammad, T., & Ben-Abdallah, R. (2022). The impact of leadership on boosting employee creativity: The role of knowledge sharing as a mediator. *Administrative Sciences*, 12(4), Article 175. <https://doi.org/10.3390/admsci12040175>
- Klein, K. J., & Kozlowski, S. W. J. (2000). A multilevel approach to theory and research in organizations: Contextual, temporal, and emergent processes. In K. J. Klein & S. W. J. Kozlowski (Eds.), *Multilevel theory, research, and methods in organizations: Foundations, extensions, and new directions* (pp. 3–90). Jossey-Bass.
- Kuntz, J. R. C., Malinen, S., & Näswall, K. (2017). Employee resilience: Directions for resilience development. *Consulting Psychology Journal: Practice and Research*, 69(3), 223–242.
- Kuntz, J. R. C., Näswall, K., & Malinen, S. (2016). Resilient employees in resilient organizations: Flourishing beyond adversity. *Industrial and Organizational Psychology*, 9(2), 456–462.
- Kuşcu Karatepe, H., Tiryaki Şen, H., & Türkmen, E. (2022). Predicting work performance and life satisfaction of nurses and physicians: The mediating role of social capital on self-efficacy and psychological resilience. *Perspectives in Psychiatric Care*, 58(4), 2542–2551. <https://doi.org/10.1111/ppc.13092>
- Lengnick-Hall, C. A., Beck, T. E., & Lengnick-Hall, M. L. (2011). Developing a capacity for organizational resilience through strategic human resource management. *Human Resource Management Review*, 21(3), 243–255. <https://doi.org/10.1016/j.hrmr.2010.07.001>
- Lim, J. Y., & Moon, K.-K. (2021). Transformational leadership and employees' helping behavior in public organizations: Does organizational structure matter? *Public Personnel Management*, 50(4), 485–508. <https://doi.org/10.1177/0091026020977565>
- Luthans, F., Avolio, B. J., Avey, J. B., & Norman, S. M. (2007). Positive psychological capital: Measurement and relationship with performance and satisfaction. *Personnel Psychology*, 60(3), 541–572. <https://doi.org/10.1111/j.1744-6570.2007.00083.x>
- Ma, S., Kor, Y. Y., & Seidl, D. (2022). Top management team role structure: A vantage point for advancing upper echelons research. *Strategic Management Journal*, 43(8), O1–O28. <https://doi.org/10.1002/smj.3368>
- Makhanya, M. T. B. (2024). Influences of emotional intelligence on resilience in the South African entrepreneurial sector: A systematic literature review. *International Journal of Research in Business and Social Science*, 13(7), 131–141. <https://doi.org/10.20525/ijrbs.v13i7.3617>

- Makinde, E., Akintunde, O. A., & Ofuani, B. (2025). The role of emotional intelligence in decision making: A study of First Bank of Nigeria. *UNILAG Journal of Business*, 11(1), 28–43.
- Mallak, L. A. (1998). Measuring resilience in health care provider organizations. *Health Manpower Management*, 24(4/5), 148–152. <https://doi.org/10.1108/09552069810215755>
- McManus, S., Seville, E., Vargo, J., & Brunsdon, D. (2008). Facilitated process for improving organizational resilience. *Natural Hazards Review*, 9(2), 81–90. [https://doi.org/10.1061/\(ASCE\)1527-6988\(2008\)9:2\(81\)](https://doi.org/10.1061/(ASCE)1527-6988(2008)9:2(81))
- Munna, M. S. A. (2025). Global disruptions and SME resilience: A framework for strategic adaptation [Master's thesis, University of Vaasa].
- Namazi, M., & Namazi, N.-R. (2016). Conceptual analysis of moderator and mediator variables in business research. *Procedia Economics and Finance*, 36, 540–554. [https://doi.org/10.1016/S2212-5671\(16\)30064-8](https://doi.org/10.1016/S2212-5671(16)30064-8)
- Nongnuch, P., Thananusak, T., & Hallinger, P. (2026). SME resilience in response to business disruptions: A bibliometric review. *Sustainable Futures*, 11, Article 101864. <https://doi.org/10.1016/j.sftr.2026.101864>
- Olaleye, B., & Lekunze, J. N. (2024). Emotional intelligence and psychological resilience on workplace bullying and employee performance: A moderated-mediation perspective. *Journal of Law and Sustainable Development*, 12(1), e2159. <https://doi.org/10.55908/sdgs.v12i01.2159>
- Pawłowska, E., & Ihimbazwe Ndanguza, A. P. (2025). Contemporary competences of managers and their role in building organizational resilience. *Scientific Papers of Silesian University of Technology, Organization and Management Series*, 218, 537–556. <https://doi.org/10.29119/1641-3466.2025.218.30>
- Polyviou, M., Croxton, K. L., & Knemeyer, A. M. (2020). Resilience of medium-sized firms to supply chain disruptions: The role of internal social capital. *International Journal of Operations & Production Management*, 40(1), 68–91. <https://doi.org/10.1108/IJOPM-09-2017-0530>
- Preacher, K. J., Rucker, D. D., & Hayes, A. F. (2007). Addressing moderated mediation hypotheses: Theory, methods, and prescriptions. *Multivariate Behavioral Research*, 42(1), 185–227. <https://doi.org/10.1080/00273170701341316>
- Salmon, U., & Singleton, A. (2025). Barriers to entrepreneurship: An intersectional analysis of an early-stage refugee entrepreneurship programme in the United Kingdom. *International Journal of Entrepreneurial Behaviour & Research*, 31(1), 109–135. <https://doi.org/10.1108/IJEBr-11-2022-1048>
- Salovey, P., & Mayer, J. D. (1990). Emotional intelligence. *Imagination, Cognition and Personality*, 9(3), 185–211.
- Sarrionandia, A., Ramos-Díaz, E., & Fernández-Lasarte, O. (2018). Resilience as a mediator of emotional intelligence and perceived stress: A cross-country study. *Frontiers in Psychology*, 9, Article 2653. <https://doi.org/10.3389/fpsyg.2018.02653>
- Shafi, M., Liu, J., & Ren, W. (2020). Impact of COVID-19 pandemic on micro, small, and medium-sized enterprises operating in Pakistan. *Research in Globalization*, 2, Article 100018.
- Shandilya, P., & Bansal, D. (2025). Emotional resilience in times of crisis: Leveraging emotional intelligence for effective response. In *Emotional intelligence in the digital era* (pp. 159–178). Auerbach Publications. <https://doi.org/10.1201/9781032715377-11>

- Sialkot Chamber of Commerce & Industry. (2023). Sialkot Chamber of Commerce & Industry. <https://scci.com.pk/>
- Singh, K., Prakash, R., Rajpoot, H. S., Satapathy, P., Ambavale, R., & Parida, S. S. (2024). The role of emotional intelligence in effective leadership and decision-making. *Library Progress International*, 44(3). <https://doi.org/10.48165/bapas.2024.44.2.1>
- Somers, S. (2009). Measuring resilience potential: An adaptive strategy for organizational crisis planning. *Journal of Contingencies and Crisis Management*, 17(1), 12–23. <https://doi.org/10.1111/j.1468-5973.2009.00558.x>
- State Bank of Pakistan. (2022). Challenge fund for SMEs. <https://www.sbp.org.pk/sme/fd/circulars/2022/C4-Annex-A.pdf>
- Stephens, J. P., Heaphy, E. D., Carmeli, A., Spreitzer, G. M., & Dutton, J. E. (2013). Relationship quality and virtuousness: Emotional carrying capacity as a source of individual and team resilience. *The Journal of Applied Behavioral Science*, 49(1), 13–41. <https://doi.org/10.1177/0021886312471193>
- Szukits, Á., & Móricz, P. (2024). Towards data-driven decision making: The role of analytical culture and centralization efforts. *Review of Managerial Science*, 18(10), 2849–2887. <https://doi.org/10.1007/s11846-023-00694-1>
- Teece, D. J. (2007). Explicating dynamic capabilities: The nature and microfoundations of (sustainable) enterprise performance. *Strategic Management Journal*, 28(13), 1319–1350.
- Teece, D. J., Pisano, G., & Shuen, A. (1997). Dynamic capabilities and strategic management. *Strategic Management Journal*, 18(7), 509–533.
- Troy, A. S., Willroth, E. C., Shallcross, A. J., Giuliani, N. R., Gross, J. J., & Mauss, I. B. (2023). Psychological resilience: An affect-regulation framework. *Annual Review of Psychology*, 74, 547–576. <https://doi.org/10.1146/annurev-psych-020122-041854>
- United Nations Industrial Development Organization. (2020). Assessment of COVID-19 impact on manufacturing and service SMEs in Pakistan. <https://www.unido.org/resources-publications-impact-covid-19-pakistan>
- Vogus, T. J., & Sutcliffe, K. M. (2007). Organizational resilience: Towards a theory and research agenda. In 2007 IEEE International Conference on Systems, Man and Cybernetics (pp. 3418–3422). IEEE. <https://doi.org/10.1109/ICSMC.2007.4414160>
- Wagstaff, C. R. D., & Tamminen, K. A. (2021). Emotions. In R. Arnold & D. Fletcher (Eds.), *Stress, well-being, and performance in sport* (pp. 97–112). Routledge. <https://doi.org/10.4324/9780429295874-7>
- Wang, C. L., & Ahmed, P. K. (2004). The development and validation of the organisational innovativeness construct using confirmatory factor analysis. *European Journal of Innovation Management*, 7(4), 303–313. <https://doi.org/10.1108/14601060410565056>
- Widakdo, D. S. W. P. J. (2022). The effect of soft skills on organizational performance: The mediating role of resilient leadership. *Global Business and Finance Review*, 27(4), 17–26. <https://doi.org/10.17549/gbfr.2022.27.4.17>
- Wong, C. S., & Law, K. S. (2002). The effects of leader and follower emotional intelligence on performance and attitude: An exploratory study. *The Leadership Quarterly*, 13(3), 243–274. [https://doi.org/10.1016/S1048-9843\(02\)00099-1](https://doi.org/10.1016/S1048-9843(02)00099-1)
- Yang, S., & Fu, Y. (2025). Interconnectedness among supply chain disruptions, energy crisis, and oil market volatility on economic resilience. *Energy Economics*, 143, Article 108290.
- Zack, M. H. (1999). Developing a knowledge strategy. *California Management Review*, 41(3), 125–145. <https://doi.org/10.2307/41166000>