

# **The Impact of Poverty on Leadership Behaviour and Competencies: A Theoretical and Empirical Analysis**

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## **Abstract**

This paper examines the influence of poverty on leadership behaviours and competencies, integrating theoretical and empirical perspectives from psychology, organisational studies, and social development. Poverty, as a multidimensional phenomenon encompassing low income, limited education, and constrained access to resources, shapes the emergence, style, and effectiveness of leadership. The study employs a narrative literature review of peer-reviewed journals, books, and authoritative reports, focusing on how socioeconomic deprivation affects leadership behaviours, including relational, task-oriented, and transformational competencies. Evidence indicates that poverty can constrain the development of strategic and hierarchical skills by limiting access to formal education, mentorship, and organisational opportunities. Simultaneously, navigating economic adversity fosters adaptive competencies such as resilience, creativity, problem-solving, and relational skills, which align with transformational and ethical leadership models. Social and institutional factors, including organisational culture, mentorship, and opportunity structures, moderate these effects, highlighting that leadership effectiveness emerges from the interaction of personal competencies and environmental context. The findings challenge deterministic assumptions that poverty inherently limits leadership potential, emphasising the dual role of deprivation as both a constraint and a catalyst for the development of competencies. Implications for practice include the importance of mentorship, targeted training programmes, and equitable organisational policies to support leadership development among economically disadvantaged populations. Future research should explore longitudinal trajectories, intersectional identities, and systemic interventions to foster inclusive and effective leadership.

**Keywords:** Poverty, Leadership Competencies, Transformational Leadership, Socioeconomic Status, Organisational Behaviour, Adaptive Skills

## **Introduction**

The relationship between socioeconomic conditions and leadership development has become an increasingly important area of inquiry in organisational and social psychology. Poverty, as a multidimensional phenomenon encompassing low income, limited education, and restricted access to resources, can shape an individual's experiences, cognitive development, and socialisation (Sen, 1999). These experiences may influence leadership emergence, behaviour, and competency acquisition. Existing leadership research largely focuses on organisational, cultural, or gendered determinants of leadership, with relatively little attention paid to the influence of economic disadvantage. Understanding the effects of poverty on leadership is critical for developing inclusive

organisational policies and equitable leadership pipelines. By examining leadership through the lens of socioeconomic status, scholars can identify barriers to leadership development and the mechanisms by which poverty shapes behavioural and cognitive competencies. This paper seeks to critically analyse the impact of poverty on leadership behaviours, skills, and effectiveness, situating the discussion within leadership theory and social development frameworks.

Poverty can constrain the development of key leadership competencies, such as strategic thinking, problem-solving, and emotional regulation. Individuals raised in economically deprived environments often face limited educational and mentorship opportunities, which can restrict exposure to complex decision-making tasks and leadership role models (Sanz, 2024; Wadsworth et al., 2018). Resource scarcity may also heighten stress and reduce psychological bandwidth, limiting the capacity for planning and adaptive behaviour (Shah et al., 2012). These constraints are not necessarily permanent; however, early-life deprivation can have lasting impacts on cognitive and social skill development. Conversely, navigating adversity may foster resilience, resourcefulness, and innovative problem-solving, competencies that are highly relevant to leadership. The influence of poverty on leadership thus represents a complex interplay of constraint and adaptive growth. Recognising this duality is essential for understanding how socioeconomic factors shape leadership potential.

Leadership behaviour is also influenced by the socialisation processes associated with poverty. Social role and environmental theories suggest that individuals internalise the norms and expectations prevalent in their communities (Eagly, 1987). In contexts of economic scarcity, hierarchical and communal leadership behaviours may be differentially reinforced. For example, collective problem-solving, negotiation, and community leadership may be more prevalent in impoverished settings, fostering relational competencies (Luthans, Vogelgesang, & Lester, 2006). Conversely, opportunities to exercise individualistic, strategic, or organisationally sanctioned leadership behaviours may be limited. These environmental and socialisation factors suggest that poverty may shape leadership style as much as skill development. Understanding these dynamics is crucial for designing interventions that enhance leadership capacities among economically disadvantaged populations.

Theoretical frameworks of leadership provide insight into how poverty might influence behaviours and competencies. Trait theory suggests that leadership emerges from stable individual characteristics, including intelligence, confidence, and adaptability (Stogdill, 1948). While some traits may be partially innate, environmental constraints like poverty can limit the expression and development of these qualities. Behavioural and contingency theories emphasise that leadership effectiveness depends on observable actions and the alignment between style and situational demands (Fiedler, 1967). Transformational leadership theory highlights competencies such as motivation, empowerment, and intellectual stimulation (Bass, 1990), which may be differentially cultivated depending on socioeconomic experiences. By integrating these frameworks, scholars can explore how poverty constrains or shapes leadership competencies, particularly regarding problem-solving, resilience, and relational skills. Leadership effectiveness thus emerges from an interaction between individual potential and socioeconomic context.

Empirical research provides preliminary evidence that poverty affects leadership outcomes. Studies in educational, community, and organisational settings suggest that individuals from low-

income backgrounds may initially demonstrate lower access to leadership roles due to limited training, networks, and perceived legitimacy (Bandura, 1997). At the same time, these individuals often exhibit adaptive leadership behaviours in resource-constrained contexts, such as creativity, strategic improvisation, and interpersonal problem-solving (Sanz, 2024). Such findings highlight that leadership competencies can develop through exposure to adversity, even if traditional measures of leadership performance initially appear constrained. Contextual and cultural factors play an important role in mediating these outcomes. These patterns indicate that poverty does not deterministically limit leadership capacity but interacts with environmental conditions to shape competencies. Understanding these mechanisms is critical for designing leadership development programmes in economically disadvantaged populations.

In addition, poverty may influence the ethical and social orientation of leaders. Scarcity and inequality can heighten awareness of social injustice and community needs, fostering empathetic, servant-oriented, or transformational leadership tendencies (Northouse, 2021). Leaders who have experienced deprivation may prioritise collective well-being and inclusivity, aligning with contemporary organisational demands for social responsibility. However, economic stressors can also amplify risk-averse or transactional behaviours, particularly in high-stakes decision-making contexts. The influence of poverty on ethical and relational leadership dimensions underscores the importance of considering socioeconomic background in evaluating leadership potential. Recognising these influences allows organisations to harness diverse leadership perspectives. Furthermore, it provides evidence for the potential long-term benefits of supporting disadvantaged leaders through education and mentorship.

Overall, the question of whether and how poverty influences leadership behaviour and competencies is complex and multifaceted. Socioeconomic deprivation can constrain access to education, mentorship, and opportunity structures, limiting the development of certain competencies. Simultaneously, navigating poverty can cultivate resilience, creativity, and relational skills that are critical for effective leadership. Theoretical frameworks, including trait, behavioural, contingency, and transformational leadership theories, provide a foundation for analysing these dynamics. Empirical studies suggest that poverty shapes both leadership emergence and behavioural expression, though the effects are mediated by context, culture, and opportunity. This paper will critically examine these mechanisms, integrating leadership theory, social role perspectives, and empirical evidence. The aim is to provide a nuanced understanding of how poverty interacts with leadership development, behaviour, and competency acquisition.

## **Theoretical Framework**

Leadership theory provides a structured lens for analysing how poverty may influence behaviour and competencies. Trait theory suggests that effective leaders possess stable characteristics, such as intelligence, confidence, and resilience (Stogdill, 1948). While some traits are partially innate, environmental factors—including poverty—can constrain the development and expression of these characteristics (Fiedler, 1967). Behavioural and contingency theories shift focus to observable actions and the fit between leadership style and situational demands (Fiedler, 1967). From this perspective, leadership effectiveness depends not only on individual traits but also on how behaviours align with environmental challenges, including resource-scarce contexts. Transformational leadership theory emphasises motivation, empowerment, and consideration for

followers' needs, competencies that may be influenced by socialisation and lived experiences of deprivation (Bass, 1990; Bass & Riggio, 2006). This study integrates these frameworks to examine how poverty interacts with leadership competencies and behaviour.

Role congruity theory offers insight into how poverty-related stereotypes may affect leadership emergence. Traditionally, individuals from low-income backgrounds are perceived as less competent or less credible in formal leadership roles, reflecting social biases (Eagly & Karau, 2002). This perception can limit opportunities to exercise leadership behaviours, hindering the development of key competencies. Conversely, adversity can promote adaptive skills, such as strategic problem-solving, resilience, and collaborative decision-making, which are relevant to effective leadership (Sheehy-Skeffington & Rea, 2017). By combining role congruity theory with leadership behaviour theories, the study considers both external perceptions and internal behavioural adaptation. Poverty shapes not only access to leadership roles but also the social evaluation of leadership effectiveness. Recognising these dynamics is essential for understanding the complex interplay between socioeconomic context and leadership development.

Social role theory provides further explanatory power by linking behaviour to environmental expectations and socialisation (Eagly, 1987). Individuals growing up in resource-constrained contexts may internalise communal and relational approaches, emphasising cooperation, negotiation, and community problem-solving (Luthans et al., 2006). Conversely, opportunities to develop strategic, hierarchical, or task-oriented leadership behaviours may be limited due to restricted access to formal institutions or mentorship networks. These patterns suggest that poverty shapes the types of leadership behaviours most frequently exhibited, rather than absolute leadership capacity. By integrating social role theory with transformational and transactional leadership models, the study examines how socioeconomic experiences influence both style and effectiveness. Understanding this intersection is critical for designing leadership development initiatives that consider both competencies and context. It highlights the importance of adaptive skill acquisition in response to environmental constraints.

Transformational leadership theory provides a framework for understanding how poverty can shape competencies critical to effective leadership. Exposure to adversity may foster high emotional intelligence, empathy, and motivation to empower others, which are central to transformational leadership (Bass & Riggio, 2006). At the same time, transactional behaviours—focused on task completion, monitoring, and reward structures—may develop less frequently if opportunities for formal organisational engagement are scarce (Eagly et al., 2003). This suggests that poverty influences the balance of leadership competencies, potentially favouring relational and adaptive skills over procedural or hierarchical skills. Integrating these perspectives allows for a nuanced analysis of how lived experiences affect leadership styles and organisational impact. It also supports the hypothesis that socioeconomic background can shape the pathways through which leadership effectiveness is realised. Thus, poverty functions as both a constraint and a catalyst for leadership development.

An integrated theoretical approach provides a comprehensive framework for analysing poverty's influence on leadership. Trait, behavioural, and transformational theories explain the competencies and actions associated with effective leadership (Bass, 1990; Fiedler, 1967). Role congruity and social role theories elucidate how poverty-related stereotypes and socialisation

processes affect opportunity, behaviour, and evaluation (Eagly, 1987; Eagly & Karau, 2002). Together, these frameworks allow for examination of both individual capacities and contextual constraints, providing a holistic perspective on leadership development in low-income populations. They highlight the interplay between adaptive competencies, environmental pressures, and social perceptions. By combining these theoretical perspectives, the study moves beyond simplistic assumptions about innate leadership ability. This approach supports a nuanced investigation of how poverty shapes both the development and expression of leadership behaviours. Ultimately, it underscores that leadership effectiveness emerges from an interaction between individual potential and socioeconomic context.

## **Literature Review**

### ***Empirical Evidence on Poverty and Leadership***

Empirical research exploring the impact of poverty on leadership is still emerging, but a growing body of studies suggests that socioeconomic deprivation shapes leadership behaviours and competencies. Individuals from low-income backgrounds often face structural barriers such as limited access to education, mentorship, and professional networks, which can constrain opportunities for leadership development (Bandura, 1997; Mondy & Reynolds, 2021; Raposa et al., 2018). These constraints may affect the acquisition of task-oriented skills, strategic planning, and hierarchical leadership competencies, potentially influencing organisational effectiveness. However, research also highlights adaptive strengths cultivated in resource-constrained environments, such as resilience, creativity, and relational problem-solving (Luthans et al., 2006). Contextual factors, including organisational culture, social support, and access to resources, mediate the relationship between poverty and leadership outcomes. Collectively, these studies indicate that poverty does not deterministically limit leadership potential but interacts with environmental and social conditions to shape behaviour. Understanding these mechanisms is essential for designing interventions that promote equitable leadership development.

### ***Leadership Styles and Poverty***

Studies examining leadership styles suggest that socioeconomic background influences the types of behaviours leaders are likely to adopt. Individuals from impoverished contexts frequently exhibit relational and communal leadership approaches, emphasising collaboration, negotiation, and team cohesion (Deji & Makinde, 2006; Juárez & Contreras, 2012; Luthans et al., 2006; Pajic et al., 2021). Transformational leadership behaviours—such as motivation, empowerment, and emotional intelligence—may be strengthened through adaptive coping with adversity (Bass & Riggio, 2006). Conversely, transactional or hierarchical task-oriented behaviours may be underdeveloped if access to formal organisational structures is limited (Eagly et al., 2003). These findings indicate that poverty shapes leadership style as much as competency, reflecting the social and environmental contexts in which leaders develop. Furthermore, adaptive behaviours cultivated under resource constraints can contribute to innovative problem-solving and enhanced follower engagement. Thus, socioeconomic background plays a dual role in both constraining and enhancing leadership behaviours.

### ***Organisational Outcomes and Socioeconomic Context***

Research exploring organisational outcomes demonstrates that leadership emerging from poverty-affected contexts can yield mixed but often positive effects. Some studies indicate that

leaders who have experienced adversity exhibit higher emotional intelligence and empathy, resulting in stronger follower satisfaction and team cohesion (Northouse, 2021). Such relational strengths can enhance performance in collaborative, innovation-driven environments. However, task-oriented or strategic competencies may be less developed initially, potentially limiting effectiveness in structured, hierarchical, or high-pressure organisational settings (Judge et al., 2004). Organisational culture, mentorship availability, and training programmes serve as critical moderators of these outcomes. Overall, empirical evidence suggests that poverty influences the expression of leadership competencies rather than inherently determining effectiveness. These findings highlight the importance of contextualised approaches to leadership assessment.

### ***Poverty, Resilience, and Adaptive Competencies***

A key theme in the literature is the role of adversity in cultivating resilience and adaptive leadership competencies. Studies in psychology and organisational behaviour suggest that navigating economic deprivation can enhance problem-solving, resourcefulness, and strategic flexibility (Shah et al., 2012; Luthans et al., 2006). Leaders from low-income backgrounds may develop strong interpersonal and conflict-resolution skills as a result of navigating community and family-level challenges. These competencies align closely with transformational and relational leadership models, which are associated with improved follower engagement and innovation (Bass & Riggio, 2006). Nevertheless, exposure to chronic poverty can also generate stress and limit long-term cognitive bandwidth, highlighting the dual impact of deprivation (Shah et al., 2012). This duality suggests that poverty shapes leadership in complex ways, producing both adaptive competencies and potential constraints. Understanding these dynamics is critical for designing targeted leadership development interventions.

### ***Synthesis and Gaps in the Literature***

Overall, empirical research indicates that poverty influences leadership behaviour, style, and competencies through both constraint and adaptation. Socioeconomic deprivation limits access to formal leadership development opportunities, reinforcing structural inequities in organisational representation (Richmond et al., 2019). At the same time, adaptive behaviours, relational competencies, and resilience developed in resource-scarce environments may enhance leadership effectiveness in collaborative and community-oriented contexts (Luthans et al., 2006; Bass & Riggio, 2006). Existing studies highlight the role of environmental moderators such as mentorship, organisational culture, and social support. Despite these insights, the literature remains limited, with few longitudinal studies exploring how leadership competencies evolve in relation to poverty. Future research should address these gaps, incorporating intersectional analyses and multilevel approaches that examine individual, organisational, and societal factors. Such work can inform evidence-based interventions aimed at developing leadership potential among economically disadvantaged populations.

### **Methods**

This study employs a narrative literature review methodology to examine the relationship between poverty and leadership behaviours and competencies. Peer-reviewed journal articles, books, and authoritative reports from psychology, organisational studies, and development science were sourced using databases including PsycINFO, Web of Science, Scopus, and PubMed. Inclusion criteria focused on studies that assessed leadership behaviours, competencies, or styles in

relation to socioeconomic status or poverty-related conditions. Both empirical and theoretical studies published in the last 30 years were prioritised, with seminal works on leadership theory and socialisation included to provide a foundational context (Bass & Riggio, 2006; Eagly, 1987). Studies from diverse organisational, community, and educational settings were considered to capture a broad perspective. Data extraction involved identifying themes related to leadership emergence, style, and performance as influenced by poverty. Synthesising these sources enabled a comprehensive analysis of the mechanisms by which socioeconomic deprivation shapes leadership behaviours and competencies.

The review also considered studies examining adaptive responses to economic adversity. Literature from developmental psychology highlights how stress, resource scarcity, and socialisation in low-income environments can affect cognitive, emotional, and relational skills relevant to leadership (Shah et al., 2012; Bandura, 1997). Organisational behaviour studies provided insight into how poverty influences task-oriented, relational, and transformational leadership behaviours in professional contexts (Bass, 1990; Luthans et al., 2006). Both quantitative and qualitative research were included, allowing for an analysis of measurable competencies as well as subjective accounts of leadership development. Inclusion of cross-cultural studies helped ensure that findings were not contextually biased to a single geographic or economic setting. The methodological approach emphasised triangulation, comparing findings across multiple sources to identify converging patterns. This approach supports a holistic understanding of poverty's influence on leadership.

To maintain scholarly rigour, only studies with clear operational definitions of leadership behaviours or competencies were included. Measures of leadership included validated instruments such as the Multifactor Leadership Questionnaire (Bass & Avolio, 1995) and other recognised assessments of task-oriented, transformational, and relational behaviours. Socioeconomic status was operationalised through indicators such as income, education, access to resources, or contextual measures of poverty. Studies with longitudinal, cross-sectional, and case study designs were considered to capture both immediate and long-term effects of poverty on leadership development. Data synthesis involved thematic coding of leadership competencies, behaviours, and environmental influences. The review also evaluated the mediating and moderating effects of organisational culture, mentorship, and social support. This method ensures that conclusions are evidence-based and account for variability across contexts.

Ethical considerations in the reviewed studies were assessed, particularly in research involving vulnerable populations affected by poverty. Studies reporting interventions or leadership training programmes adhered to standard ethical guidelines, including informed consent, confidentiality, and culturally sensitive practices. Consideration was also given to the potential for bias in the assessment of leadership competencies, particularly where socioeconomic status could influence evaluative perceptions (Eagly & Karau, 2002). The review methodology aligns with best practices for narrative synthesis, enabling the integration of quantitative and qualitative findings (Popay et al., 2006). Limitations inherent in narrative reviews, such as reliance on existing literature and potential publication bias, are acknowledged. Nonetheless, this approach provides a comprehensive examination of the mechanisms linking poverty to leadership behaviour. It also highlights gaps in the literature and opportunities for future research.

## *Leadership Behaviour and Competency Analysis*

Poverty influences leadership behaviours in nuanced ways, shaping both adaptive and constrained competencies. Individuals from low-income backgrounds frequently develop relational and communal leadership skills, emphasising negotiation, collaboration, and empathy (Manasia & Parvan, 2025; Luthans et al., 2006). Transformational competencies, including motivational support, team empowerment, and consideration for followers' needs, are often strengthened through coping with adversity (Bass & Riggio, 2006). Conversely, task-oriented or hierarchical competencies may be less developed due to limited exposure to formal organisational structures or mentorship opportunities (Judge et al., 2004). Research indicates that adaptive behaviours cultivated in resource-scarce environments contribute to creative problem-solving and resilience, essential traits for effective leadership under complex conditions (Shah et al., 2012). Socioeconomic constraints, however, can limit confidence in decision-making and access to positions where leadership can be exercised. Understanding these patterns highlights the dual influence of poverty: constraining some competencies while enhancing others that support adaptive, relational, and transformational leadership.

Leadership emergence is similarly affected by socioeconomic background. Structural barriers such as limited educational attainment, restricted networks, and resource scarcity reduce access to formal leadership roles (Ballenger, 2010; Dworkin et al., 2013; Kiamba, 2009). Individuals may also experience stereotype-driven biases, with poverty influencing perceptions of credibility, competence, and authority (Eagly & Karau, 2002). Despite these challenges, research demonstrates that adversity fosters adaptive strategies for leadership, including resilience, self-efficacy, and problem-solving under pressure (Bandura, 1997; Luthans et al., 2006). Leaders from low-income backgrounds may also prioritise collective outcomes and social responsibility, reflecting experiential learning in resource-constrained contexts (Northouse, 2021). Empirical evidence suggests that these competencies align with transformational and relational leadership styles. Consequently, poverty shapes not only access to leadership but also the quality and type of behaviours exhibited. This interplay underscores the importance of context in understanding leadership development.

Socioeconomic factors also interact with organisational and environmental contexts to shape leadership effectiveness. Leaders who have experienced poverty may thrive in collaborative, innovation-driven, or community-oriented environments, where relational skills and adaptability are valued (Bass & Riggio, 2006). Conversely, highly structured or hierarchical organisations may challenge leaders lacking exposure to formal management training or procedural competencies (Judge et al., 2004). Mentorship, training, and organisational support serve as critical mediators, enhancing the development of underdeveloped competencies and mitigating the effects of socioeconomic constraints (Mokoena & van Tonder, 2024). Contextual alignment between leader behaviours and organisational expectations is therefore essential for translating adaptive competencies into effectiveness. This perspective emphasises that leadership development cannot be considered in isolation from environmental and institutional factors. Integrating insights from organisational psychology and social development allows a more comprehensive understanding of poverty's impact.

Poverty also influences ethical and social orientations in leadership. Leaders who have experienced deprivation often exhibit heightened empathy, social responsibility, and a focus on collective outcomes (Northouse, 2021). Such ethical competencies enhance transformational leadership behaviours, including follower motivation and empowerment. Conversely, chronic exposure to scarcity and stress may increase risk aversion or transactional tendencies, particularly in decision-making under uncertainty (Shah et al., 2012). These dynamics suggest that poverty shapes both the behavioural repertoire and the value orientation of leaders. Recognising this dual effect informs leadership development programmes aimed at fostering relational, transformational, and ethical competencies. It also highlights the potential for organisations to harness the unique strengths of leaders from economically disadvantaged backgrounds. The evidence underscores that leadership is socially and contextually embedded, with poverty playing a formative role in shaping both capacity and style.

In summary, the literature indicates that poverty exerts a complex influence on leadership behaviours and competencies. Socioeconomic deprivation can constrain access to formal opportunities, limiting the development of task-oriented and strategic competencies (Decker et al., 2025). Simultaneously, navigating poverty fosters adaptive behaviours, resilience, and relational competencies that enhance transformational leadership capabilities (Luthans et al., 2006; Bass & Riggio, 2006). Contextual factors such as organisational culture, mentorship, and social support mediate these effects, highlighting the importance of situational alignment. Poverty also shapes the ethical and social orientation of leaders, influencing priorities, decision-making, and follower engagement. These findings suggest that leadership effectiveness is not determined solely by individual traits but emerges from the interaction of personal competencies, socioeconomic background, and environmental context. A nuanced understanding of these mechanisms is essential for equitable leadership development and assessment.

## Discussion

The findings from the literature review and theoretical analysis indicate that poverty shapes leadership behaviours and competencies in complex ways, simultaneously constraining and fostering skill development. Socioeconomic deprivation limits access to formal educational opportunities, mentorship, and professional networks, reducing the development of task-oriented, strategic, and hierarchical competencies (Manola, 2019; Raposa et al., 2018; Spires & Cox, 2016). At the same time, navigating adversity fosters resilience, creativity, and relational competencies, aligning with transformational leadership behaviours such as motivation, empowerment, and follower consideration (Bass & Riggio, 2006; Luthans et al., 2006). These adaptive competencies are critical for leadership effectiveness in collaborative, resource-constrained, and innovation-driven environments. The interplay between environmental constraints and adaptive skill acquisition highlights that poverty does not deterministically limit leadership potential but shapes the behavioural repertoire available to leaders. Furthermore, role congruity and social role theories underscore that social perceptions and biases interact with socioeconomic background to influence leadership emergence and evaluation (Eagly & Karau, 2002; Eagly, 1987). Recognising these dynamics is essential for designing equitable leadership development initiatives and interventions.

Leadership style is notably influenced by socioeconomic context. Individuals from low-income backgrounds frequently demonstrate relational and communal behaviours, including

collaboration, negotiation, and team cohesion. These behaviours are adaptive responses to resource-scarce environments, fostering problem-solving and conflict resolution skills that enhance team performance (Shah et al., 2012). Conversely, the development of task-oriented and hierarchical competencies may be delayed due to limited exposure to formal organisational structures or decision-making authority (Judge et al., 2004). Contextual moderators such as mentorship, training programmes, and organisational culture play a crucial role in mediating the impact of poverty on leadership outcomes (Northouse, 2021). These findings suggest that leadership effectiveness is best understood through the interaction between individual competencies, socioeconomic background, and environmental conditions. Poverty thus acts as both a constraint and a catalyst, shaping the skills, styles, and adaptive capacities of emerging leaders. Effective interventions must account for these dual influences to maximise leadership potential.

Ethical and social orientation emerges as another important dimension influenced by poverty. Leaders who have experienced deprivation often demonstrate heightened empathy, social responsibility, and a focus on collective outcomes (Northouse, 2021). These orientations align with transformational and servant leadership models, enhancing follower satisfaction and engagement (Bass & Riggio, 2006). However, chronic exposure to scarcity and stress may increase risk-aversion or transactional behaviours, particularly under conditions of uncertainty or high stakes (Shah et al., 2012). Recognising this duality is critical for understanding how poverty shapes decision-making and leadership priorities. Leadership programmes designed for disadvantaged populations should therefore emphasise ethical reasoning, relational competencies, and adaptive strategies. Such programmes can leverage the unique strengths developed through adversity while addressing gaps in strategic and task-oriented skills. Integrating these insights provides a more comprehensive understanding of leadership development under socioeconomic constraints.

The literature also highlights the importance of opportunity structures and systemic support in moderating the influence of poverty on leadership. Mentorship, coaching, and access to training programmes can mitigate structural barriers and accelerate the development of underdeveloped competencies (Chea, 2024). Organisational culture that values relational skills, adaptability, and innovation further enhances the effectiveness of leaders from low-income backgrounds (Bass & Riggio, 2006). These findings suggest that poverty-related constraints are not immutable; rather, interventions can support the cultivation of leadership potential. Social policies and organisational initiatives aimed at reducing inequities in leadership access are therefore essential. Additionally, longitudinal research is needed to track the evolution of competencies over time, particularly in relation to socioeconomic mobility and environmental change. Addressing these gaps will provide more nuanced insights into the mechanisms by which poverty shapes leadership trajectories.

In summary, the evidence indicates that poverty exerts a multifaceted influence on leadership behaviour and competencies. Socioeconomic deprivation can limit access to formal opportunities and constrain certain skill development, yet it also fosters adaptive behaviours such as resilience, relational skills, and transformational capacities (Luthans et al., 2006). Leadership effectiveness is thus contextually and socially embedded, emerging from the interaction between individual traits, adaptive responses, and environmental conditions. Systemic interventions, mentorship, and organisational support can mitigate constraints while leveraging the adaptive strengths of leaders from low-income backgrounds. Ethical and relational competencies are particularly enhanced, suggesting potential advantages in collaborative and community-oriented

contexts. The findings challenge deterministic views of poverty as purely limiting, highlighting its dual role in shaping leadership potential. Future research should employ longitudinal and intersectional approaches to further explore these complex dynamics.

## Conclusion

The analysis indicates that poverty influences leadership behaviours and competencies in nuanced and context-dependent ways. Individuals from economically deprived backgrounds may face structural barriers that limit access to education, mentorship, and formal leadership roles. At the same time, adversity fosters adaptive competencies such as resilience, relational skills, creativity, and transformational leadership behaviours (Bass & Riggio, 2006; Luthans et al., 2006). Organisational and environmental contexts mediate these effects, highlighting the importance of mentorship, training, and culturally supportive workplaces (Northouse, 2021). Poverty also shapes ethical and social orientations, with leaders often prioritising collective well-being and social responsibility. These findings emphasise that leadership effectiveness emerges from the interaction of personal competencies, socioeconomic experiences, and opportunity structures. Future research should explore longitudinal trajectories, intersectional identities, and interventions designed to support leadership development in economically disadvantaged populations, ensuring more equitable pathways to effective leadership.

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