

## Attaining Organizational Commitment Through Leaders' Emotional Intelligence: A Case Study in Malaysia

<sup>1</sup>Choi Sang Long, <sup>2</sup>Cynthia Sharlini Shanmugam and <sup>1</sup>Rosman Md Yusoff

<sup>1</sup> Faculty of Management, Universiti Teknologi Malaysia, Malaysia

<sup>2</sup>Human Resource Department, Inter Pacific Securities Sdn Bhd

---

**Abstract:** Leaders' emotional intelligence (EI) is crucial in many aspects. One of it is to boost employees' commitment and improve productivity of employees. This paper looks into the relationship between leader's EI and organizational commitment (OC) of their subordinates. A plastic component manufacturing company in Malaysia is chosen to conduct this study. 123 respondents participated in this survey exercise. The correlation and multiple regression analysis conducted on this company indicated a statistically significant and a positive relationship between the 4 dimensions of EI and OC.

**Key words:** Emotional intelligence · Organizational commitment · Relationship · Expression · Leaders · Subordinates

---

### INTRODUCTION

Emotional Intelligence (EI) is a fairly new behavioral model that has in the last five decades attracted the interest of many researchers. It is defined as an ability or skill of a person to identify, assess and control the emotions of themselves, other individuals and/or groups. A key function of EI is to facilitate collective understanding and build positive human relations in organizations, by equipping managers with the requisite skill set to enhance staff performance and commitment [1,2,3].

EI is increasingly being used by researchers and organizations to assess people behavior, attitudes, interpersonal skills and to gauge the organizational commitment of managers and lower line staff. As an indicator, data on Emotional Intelligence is now being employed manpower planning, job profiling as well as recruitment and selection processes [2].

Organizational commitment precipitates employee loyalty, wherein individual workers demonstrate their dedication to an organization irrespective of its successes and failures [4]. Often times this is gauged through behaviors such as regular attendance at work - putting in a full day or long hours; protecting company assets, voluntarily taking on new roles outside of one's job

description and sharing company goals and values. Commitment is often taken as an indication of an employees' desire to remain with an organization. Organizations generally view having committed employees as an advantage because they play vital role in improving overall productivity of the organization.[5].

Law *et al* [6] declared that leaders with higher EI typically perform better. Therefore, a positive leader-subordinate relationship in a more conducive working environment would lead to a higher organization commitment by the subordinate. Rayton [6] suggested that there is a strong possibility that another variable influenced job satisfaction and organization commitment. It is posited in current research that the missing variable is EI. Thus this research will contribute to this body of knowledge if a relationship does exist between leaders EI and OC of subordinates.

**Rationale of Study:** Emotional Intelligence (EI) has been reviewed and studied extensively, but predominantly in the United States, Europe and Australia [8], yet very few studies have been conducted in Asia. This study seeks to examine the adoption of EI models in Malaysia, a hub for transnational trade and activity but also a more conservative region than its Western counterparts. In particular, this study seeks to determine whether

demographic factors intrinsic to the Malaysian population will enhance or attenuate Emotional Intelligence among leaders in a locally owned company in Malaysia. This study seeks to stimulate further research in Malaysia and the ASEAN at large and well as to sensitize organizations to the benefits of understanding EI for organizational planning, policy development and corporate growth.

**Objectives of the Study:** For the purpose of this study, the aim is to probe determine the nature of the relationship between a Leader's EI and the organizational commitment of subordinates. The objectives of the proposed study are:

- To identify the level of leaders' EI in the organization.
- To examine the relationship between the EI of leaders' and the Organization Commitment of subordinates in the organization.

#### Literature Review

**Goleman's Model of Emotional Intelligence:** Emotional Intelligence models by and large encompass 2 categories, namely ability-based and mixed models. The ability based model describes Emotional Intelligence as a complete form of mental ability or pure intelligence. On the contrary, the mixed models describe Emotional Intelligence as a combination of mental ability having elements of personality traits, skills and motivation. Goleman [9] Emotional Intelligence models by and large encompass 2 categories, namely ability-based and mixed models.

Goleman [9] defined EI as the capacity for recognizing our own feelings and those of others, for motivating ourselves and for managing emotions well in ourselves and in our relationships. He also introduced the 4 concept model in this book. The model is: Self awareness, Self-management, social awareness and Relationship Management. Self awareness being one's competency to study one's emotions and identify its impact while using instinct to guide their decisions. Self management is the controlling of one's emotions, urges and adjusting to changing circumstances. Social awareness encompasses the competency to comprehend sense and respond to the emotions of others while understanding the concept of interaction of people. Lastly, relationship management, which is the competency to motivate, develop and influence others in managing conflicts.

**Theories on Organizational Commitment:** In the recent years, organizational commitment has been an area of interest among researchers because of its relationship

with EI and the principle that it ultimately boils down to organizational success and efficiency [4,10]. In 1997, Meyer and Allen defined organizational commitment as of a committed employee is the one who stays with the organization through thick and thin, attends work regularly, puts in a full day (and maybe more), protects company assets, shares company goals and so on. Meyer and Allen [11] had defined OC to comprise of 3 types of commitment which are affective, continuance and normative commitment. This research will focus solely on measuring employees' affective commitment (AC). Affective commitment is identified as the emotional involvement, affinity and association that an employee has with its organization and its goals. Affective commitment can spur improvement in employees' performance and productivity [12,13,14,15].

#### The Relationship Between Emotional Intelligence and Organizational Commitment:

One of the earliest works done on this subject matter was by Abraham [16] stressed that Emotional Intelligence prevents the individual from holding the organization responsible for every frustration and conflict on the job and, thus, prevents the erosion of commitment that results from indiscriminate fault finding. In this study he found that 15% of the differences in OC were explained exclusively by EI. Momeni [5] in her study of Public Personnel in Iran showed that Manager's Emotional Intelligence has a positive association with their subordinates OC. The results of the analysis of the relationship between the dimensions of EI and OC showed a positive correlation between the dimensions of both principles. The regression analysis that was conducted by Momeni [5] indicated that 55% of the OC of employees is caused by the EI of Managers. Nikolaou and Tsaousis [17], in their studies found a positive correlation between 4 dimension of EI and employee OC which are perception and appraisal, control of emotions, use of emotions and reasoning.

Carmelli [18] studied the relationship between EI and some OC factors such as behavior, performance and work attitudes, the results of this study showed a substantially positive relationship between EI and AC. The underlying results were that the various constructs of OC associated differently to factors such as job performance and work behavior.

Humphreys *et al.*, [19], found correlation between EI and AC, a construct of OC. Ultimately confirming that EI has a major influence on the constructs of OC. The research done by Abraham [16] and Wong and Law [20] confirmed the positive relationship between EI and OC.

Despite all the positive correlations between EI and OC, there were some studies that cast a shadow of doubt between the relationship. Rosete ad Ciarrochi [21], commented in their study of 103 sales personnel that EI had a significant relationship to performance and not to OC directly. Stewart [22] in his study in the food industry stresses that there is no relationship between the total EI scores and OC for managers. However, he did mention that there was a possibility that because the relationship between customers and employees were brief therefore, the need for EI skills were minimum. Another point that was made in the defense of his study was that most of the managers in his study did not see a career path in their current job. Humphreys [19] concluded in his studies that, follower EI was positively correlated to OC, thus his deduction of the relationship was that subordinate EI played a greater role in enhancing the subordinate OC than the managers EI.

From the literature review, the following hypotheses were formulated.

- H1: A significant relationship exists between SEA of leaders' and OC of subordinates.
- H2: A significant relationship exists between OEA of leaders' and OC of subordinates.
- H3: A significant relationship exists between UOE of leaders' and OC of subordinates.
- H4: A significant relationship exists between ROE of leaders' and OC of subordinates
- H5: A significant relationship exists between overall EI of leaders' and the overall OC of subordinates.

**Research Methodology**

**Research Design:** A non-experimental quantitative research design was employed in this research. Two survey instruments were employed, namely the Organizational Commitment Scale (OCS) [4] and the Wong and Law Emotional Intelligence Scale (WLEIS) [6,20].

**Population and Sample:** The population was basically white collared workers in the locally owned company (LOC). The name of the company is withheld as per request by the CEO of the company. In this research,

the author will name the company as XYZ. The sampling frame was the leaders of the company from Executives to Managers and above and their immediate subordinates. 123 out of 150 respondents participated in this survey exercise. XYZ is part of a large corporation that has been in the arena of plastic components manufacturer in Malaysia for the last 4 decades. The subsidiary of the company that participated in this study was a stock and shares company, that was acquired by this large corporation since 1993. It has 3 branch offices, namely in Penang, Kuala Lumpur and Johor Bahru, employing a total of 600 staff.

**Research Instrument:** Essentially, this is a study about the relationship between leaders' EI and subordinates OC. Data was collected via questionnaires which measured the variables of EI and OC on a 5-point Likert Scale. There are 39 close structured questions in total; 16 on Emotional Intelligence, 18 on Organizational Commitment and 5 on demographic. The respondents were required to circle only one number on the scale that best suited them.

**Analysis of Results**

**Emotional Intelligence Dimensions:** The 4 dimensions of EI, Self Emotion Appraisal (SEA), Other Emotion Appraisal (OEA), Use of Emotion (UOE), Regulation of Emotion (ROE) of leaders' of X Y Z. The highest reading for the mean of EI dimensions is SEA (self emotion appraisal) at 4.45. This followed by Use of Emotion (4.40), Regulation of Emotion (4.30) and Others Emotion Appraisal (4.25).

The R<sup>2</sup> and the Adjusted R<sup>2</sup> value for the organization is also reported as shown in the Table 1. The Adjusted R<sup>2</sup> explains that the data is 39% of the total OC of subordinates is affected by 4 dimensions of Emotional Intelligence, for the organization.

**Testing of Hypothesis 1:** This hypothesis is supported because the analysis from the correlation coefficient showed that the correlation coefficient between SEA and total OC was 0.552. The level of significance for this experiment is p < 0.01 (2 tailed). This showed that a significant relationship existed between the 2 variables.

Table 1: Correlation and Regression Analysis

Participants of the Locally Owned Company		
	EI Dimensions	Pearson Correlation
OC	SEA	**0.552
OC	OEA	**0.563
OC	ROE	**0.581
OC	UOE	**0.396

\*p < .05 (2 tailed), \*\*p < .01 (2 tailed), R<sup>2</sup> = 0.430 Adjusted R<sup>2</sup> = 0.391

**Testing of Hypothesis 2:** This hypothesis is supported because the analysis from the correlation coefficient showed that the correlation coefficient between OEA and total OC was at 0.563. The level of significance for this experiment is  $p < 0.01$  (2 tailed). This showed that a significant relationship existed between the 2 variables.

**Testing of Hypothesis 3:** This hypothesis is supported because the analysis from the correlation coefficient showed that the correlation coefficient between UOE and total OC was at 0.581. The level of significance for this experiment is  $p < 0.01$  (2 tailed). This showed that a significant relationship existed between the 2 variables.

**Testing of Hypothesis 4:** This hypothesis is supported because the analysis from the correlation coefficient showed that the correlation coefficient between ROE and total OC was at 0.396. The level of significance for this experiment is  $p < 0.01$  (2 tailed). This showed that a significant relationship existed between the 2 variables.

**Testing of Hypothesis 5:** This hypothesis is supported because when the Multiple Regression Analysis was conducted, the following results were obtained. The variance that showed a correlation between the 4 dimensions of EI and the total OC of subordinates  $R^2 = 0.430$  and an adjusted  $R^2 = 0.391$ , which is approximately 39%. That is to say that 39% of the variance in subordinates was influenced by the 4 dimensions of the EI of leaders'.

## **DISCUSSION AND CONCLUSIONS**

The correlation and multiple regression analysis conducted on the organization XYZ indicated a statistically significant and a positive relationship between the 4 dimensions of EI and total OC. This supports all the hypothesis in this study and also the results of other studies conducted by Daus and Ashkanasy [23]. The results obtained from the Multiple Regression Model between the 4 dimensions of EI as the Independent Variable and the total OC support the research done by Abraham [16] and Momeni [5]. From the results we can conclude that the 4 dimensions of leaders EI does have a statistically significant positive relationship with the total constructs of subordinates OC. From the results of this study, it supports the findings of Prati [24] in which it was said that emotional intelligence is a predictor of the organizational commitment.

This study provided a basis to show that the total organizational commitment of subordinates is influenced and affected by the 4 dimensions of the leaders' emotional intelligence. Therefore, companies need to realize that the Emotional Intelligence of their leaders does affect the commitment of the subordinates and this ultimately leads to higher production and it also increases the profits of the company, lowered downtime of the production lines because employees feel a sense of belonging to the organization. When an employee feels the sense the belonging, automatically it leads to a higher punctuality rates and lowers tardiness. With all these factors in play, production lines will not face a shortage of workers which reduces the downtime of production. When employees are happy in the environment in which they work, better relationships are formed with both internal and external customers. Subordinates take initiatives to resolve problems as they feel the organizational problems are their own. McEnrue and Groves [25] suggested that the Human Resource Practitioners should concentrate on developing the attributes in their leaders such as understanding, assessing and the development of Emotional Intelligence. The results of this study are in agreement to this. Besides that Nikolaou and Tsaousis [17], suggested that the Emotional Intelligence in leaders could be looked upon as early as during the selection and recruiting process. Since the results of this study is in line with this study in that the Emotional Intelligence of leaders does affect the organizational commitment of the subordinates, then another avenue that the Human Resources Practitioners should look at is at developing tools to test the Emotional Intelligence of their potential leaders in the recruitment and selection process.

Finally, the results of this study did reveal that a positive relationship does exist between emotional intelligence of leaders and the organizational commitment of subordinates, which states that Managers' with higher EI had subordinates with higher OC. Ultimately, one conclusion that can be drawn from this study is that EI is important in an organizational setting and this would also mean that leaders' who equipped themselves the skills of EI will be able to address the problem of the decline in subordinate OC and productivity in the current times.

## **ACKNOWLEDGEMENTS**

The authors would like to express their appreciation to the Faculty of Management, Universiti Teknologi Malaysia for supporting this publication.

## REFERENCES

1. Mishra, P.S. and A.K.D, 2010. Mohapatra., Relevance of Emotional Intelligence for Effective Job Performance: An Empirical Study. *Vikalpa*, 35(1): 53-61.
2. Jewell, G.B., 2007. *The Relationship between emotional intelligence and organizational commitment in frontline service providers*. Unpublished manuscript.
3. Locke, E., 2005. Why emotional intelligence is an invalid concept. *Journal of Organizational Behavior*, 26(4): 425-431.
4. Meyer, J. and N. Allen, 1997. *Commitment in the workplace: Theory, research and application*. Thousand Oaks, CA: Sage publications.
5. Momeni, N., 2008. The Revelation Between Manager's Emotional Intelligence and the Organizational Climate they create. *Public Personnel Management*, 38(2): 33-41.
6. Law, K., C. Wong and L. Song, 2004. The construct and criterion validity of emotional intelligence and its potential utility for management studies. *Journal of Applied Psychology*, 89: 483-496.
7. Rayton, B.A., 2006. Examining the interconnection of job satisfaction and organizational commitment: An application of the bivariate probit model. *International Journal of Human Resource Management*, 17(1): 139-154.
8. Densten, I., 1999. Senior Australian Law Enforcement Leadership Under Examination, Policing: An International Journal of Policing Strategies and Management, 22(1): 47-57.
9. Goleman, D., 1998. What makes a leader? *Harvard Business Review*, 76(6): 93-102.
10. Brown, C., S. Bryant and M. Reilly, 2006. Does emotional intelligence-as measured by the EQI-influence transformational leadership and/or desirable outcomes? *Leadership and Organizational Development Journal*, 27(5): 330-351.
11. Meyer, J. and N. Allen, 1991. A three component conceptualization of organizational commitment. *Human Resource Management Review*, 1(6): 1-89.
12. Reilly, C.O. and J. Chatman, 1986. Organizational commitment and psychological attachment: The effects of compliance, identification and internalization on prosocial behavior. *Journal of Applied Psychology*, 83(6):835-852.
13. Meyer, J., N. Allen and C. Smith, 1993. Commitment to organizations and occupations: Extension and test of a three-component conceptualization. *Journal of Applied Psychology*, 78(4): 538-551.
14. Mowday, R., 1998. Reflections on the study and relevance of organizational commitment. *Human Resource Management Review*, 8(4): 387-401.
15. Mayer, J., P. Salovey and D. Caruso, 2008. Emotional intelligence: New ability or eclectic traits. *American Psychologist*, 36(6): 503-517.
16. Abraham, R., 1999. Emotional intelligence in organizations: A conceptualization. *Genetic, Social and General Psychology Monographs*, 125(2): 209-224.
17. Nikolaou, I. and I. Tsaousis, 2002. Emotional Intelligence in the workplace: Exploring its effects on occupational stress and organizational commitment. *The International Journal of Organizational Analysis*, 10(4): 327-342.
18. Carmeli, A., 2003. The Relationship between EI and work attitudes, behavior and outcomes. *Journal of Managerial Psychology*, 18(8): 788-793.
19. Humphreys, J., B. Brunson and D. Davies, 2005. Emotional structure and commitment: Implications for health care management. *Journal of Health Organization and Management*, 19(2): 120-129.
20. Wong, C. and K. Law, 2002. The effects of leader and follower emotional intelligence on performance and attitude: An exploratory study. *The Leadership Quarterly*, 13(3): 243-274.
21. Rosete, D. and J. Ciarrochi, Emotional Intelligence and its relationship to workplace performance outcomes of leadership effectiveness. *Leadership and Organization Development Journal*, 26(5): 388-399.
22. Stewart, G., 2008. The relationship of emotional intelligence to job satisfaction and organization commitment (Doctoral dissertation, Regent University, Virginia, United States of America. Publication No. AAT 3319386).
23. Daus C. and N. Ashkanasy, 2005. The case for the ability-based model of emotional intelligence in organizational behavior. *Journal of Organizational Behavior*, 26: 453-466.
24. Prati, L., 2004. Emotional Intelligence as a facilitator of emotional labour process (PhD dissertation, The Florida State University, United States of America). Publication No. AAT 3160677.
25. McEnrue, M. and K. Groves, 2006. Choosing among tests of emotional intelligence: What is the evidence? *Human Resource Development Quarterly*, 17(1): 9-42.