# UNIVERSITI TEKNOLOGI MARA

# EMPLOYEES' ORGANIZATIONAL CITIZENSHIP BEHAVIOUR: INFLUENCE OF LEADER'S EMOTIONAL INTELLIGENCE AND MODERATING EFFECT OF LEADER-MEMBER EXCHANGE

#### NOORLAILA HJ YUNUS

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#### ABSTRACT

Malaysia aspires to be a fully developed country by 2020 and therefore needs its citizens to perform excellent work behaviours. Organizational citizenship behaviour (OCB) is affected by the leader's influence. Thus, this study sought to examine the behaviours associated with emotional intelligence and determine if there are specific dimensions of a leader's emotional intelligence that predicts the development of an employees' willingness to perform organizational citizenship behaviour. It was hypothesized that leader-member exchange (LMX) moderated emotional intelligence on organizational citizenship behaviour. Data were gathered from a sample of 208 supervisors that represented Development Financial Institutions (DFiA) situated in Klang 'Drop-off' and 'Pick-up' method was used in this study. The Valley of Malaysia. hypotheses were tested through a non-experimental, quantitative research design. The independent variable, emotional intelligence was measured using a self-reported emotional intelligence scale developed by Wong and Law (2002). The dependent variable, organizational citizenship behaviour (OCB) was measured using self-reported scales developed by Podsakoff. MacKenzie, Moorman and Fetter (1990) and this study focuses on the OCB dimensions by Organ (1988) - altruism, conscientiousness, sportsmanship, courtesy and civic virtue. Leader-member exchange (LMX) was used as the moderating variable and the measure was developed by Graen, Novak and Sommerkamp (1982). A series of statistical analyses were applied to test the hypotheses as well as to answer the research questions. The analyses included descriptive analysis, ANOVA analysis, reliability analysis, correlation analysis, factor analysis and multiple regression analysis. A series of hierarchical regression analyses were performed to analyze the moderating effects of LMX. The findings of this study suggested that, a leader's ability on Other's Emotions Appraisal (OEA) appeared to predict an employee's display of organizational citizenship behaviour. The findings on Other's Emotions Appraisal (OEA) accounted for 43.9% of the variance in altruism. Leader-member exchange (LMX) was found to moderate Self-Emotions Appraisal (SEA) and influence conscientiousness and civic virtue. Overall, Self-Emotions Appraisal (SEA) was the strongest WLEIS in predicting employees' OCB. The findings are consistent with previous studies which found that EI variables affect employees' behaviors and outcomes (Carmeli, 2003; Furnham & Petrides, 2003; Giildal, et al., 2008; Wong & Law, 2002) The implications of the study, as well as the limitations and recommendations for future research were also discussed.

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# CHAPTER ONE

# BACKGROUND OF STUDY

#### Introduction

Chapter One presents an introduction to the main theme of this study on the influence of leader's emotional intelligence (EI) on employee organizational citizenship behaviours (OCB) and moderated by leader-member exchange (LMX). This chapter includes the background, the statement of problem as well as the objectives of the study. The section on the statement of problem of this study also includes the study's research questions. Chapter One also comprises of the remaining sections which include the significance of the study, the scope of the study, the definition of the main terms that make up the conceptual framework and a summary.

#### Background of the Study

Behaviour of work or organizational behaviour is a field of study that investigates the impact that individuals, groups and structures have on behaviours within organizations, for the purpose of applying such knowledge towards improving an organization's effectiveness. It is also concerned with the study of what people do in an organization and how that behaviour affects the performance of an organization. Although job performance is one of the major criteria in industrial and organizational psychology, other forms of employee work behaviour (i.e., job satisfaction, job

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