

# THE MODERATING EFFECT OF SERVICE TYPES ON THE RELATIONSHIP BETWEEN EMOTIONAL INTELLIGENCE AND ORGANIZATION ROLE

Abdul Kadir Othman<sup>1</sup>, Mohamed Sulaiman<sup>2</sup>, Ali Al-Kahtani<sup>3</sup>

<sup>1</sup> Faculty of Office Management and Technology, Universiti Teknologi MARA,  
42300 Puncak Alam, Selangor

<sup>2</sup> Kulliyah of Economics and Management Sciences, International Islamic University  
Malaysia, Gombak, Selangor

<sup>3</sup> Faculty of Business Administration, King Abdul Aziz University  
Jeddah, Kingdom of Saudi Arabia

<sup>1</sup> Email: abdkadir@salam.uitm.edu.my

## ABSTRACT

*Emotional intelligence (EI) is claimed to enhance pro-social behavior, however the claim cannot be generalized to the whole service industry, since services vary significantly. Some services require high levels of customization; while others focus on service standardization. In offering customized services, service providers need to use higher levels of discretion and judgment compared to those offering standardized services. Therefore, this study investigates the moderating effect of service types on the relationship between EI factors (self-emotion appraisal, others-emotion appraisal, regulation of emotion and use of emotion) and service providers' organization role effectiveness. Analysis of 167 responses revealed that there is a significant relationship between self emotional appraisal (SEA) and organization role for moderator-based subgroups. The implication of which is that EI is actively implemented by service providers in mass service to engage in effective organization role.*

**Keywords:** Emotional Intelligence; Organization Role; Service Types; Professional Service; Service Shop; Mass Service.

## **INTRODUCTION**

Employee work behavior that goes beyond the reach of organizational measures of job performance holds promise for long-term organizational success. Successful work behavior is also known as Organizational Citizenship Behavior (OCB) or extra-role behavior and includes participating in organizational activities, giving suggestions and ideas, working through the weekends and going beyond the described job functions to contribute to an organization's well-being. Past studies have established that Emotional Intelligence (EI), a set of abilities used to perceive, access and generate emotions to assist thought processes, understand emotions and emotional knowledge, and to reflectively regulate emotions thereby promoting emotional and intellectual growth, is significantly related to employee OCB (Abraham, 1999; Côté and Miners, 2006; Day and Carroll, 2004; Spector and Fox, 2002). However, these research findings cannot be generalized to all service employees since they differ with regard to the nature of the work being performed. Some organizations require service providers to exercise high levels of discretion and judgment during service delivery processes, whereas others require service providers to simply follow prescribed and established rules and procedures with little or no allowance for discretion and judgment. These differences in service offerings affect the role of EI in enhancing pro-social behavior, since EI is expected to bring the greatest benefits to employees who are providing personalized services and the least benefits to those who are providing standardized services. Such expectations are unjustifiable because of the inadequacy of evidence from previous research studies. Consequently, the presented study was conducted to elucidate empirical evidence relating to the moderating effect of service types on the relationship between EI and organization role with respect to service provider' peer perceptions. The findings of this study are expected to enrich existing knowledge with respect to the role EI plays in influencing service providers' organization role.

## LITERATURE REVIEW

### EI and Organization Role

Organization role has been defined as going beyond the call of duty in one's concern for the firm (Welbourne *et al.*, 1998). The concept of organization role is directly associated with OCB (Organ, 1988), which may be defined as discretionary behavior on the part of a person and is believed to directly promote the effective function of an organization. Researchers have identified the importance of organization role in employees' work performance models (Borman and Motowidlo, 1993; Brief and Motowidlo, 1986; Campbell, 1990; Johnson, 2001; MacKenzie *et al.*, 1998; Motowidlo and Van Scotter, 1994; Podsakoff and MacKenzie, 1997; Rotundo and Sackett, 2002). OCB constitutes of behavior that goes beyond specific role requirements, with the characteristic that such behavior is performed voluntarily without any expectation of reward (Brief and Motowidlo, 1986). Examples include altruism (helping others), conscientiousness (going beyond minimum role requirements), courtesy (preventing work-related problems from occurring), sportsmanship (tolerating unfavorable circumstances without complaint) and civic virtue (actively participating in, and being involved in and concerned about the life of the company) (Podsakoff *et al.*, 1990).

Research has demonstrated that positive emotion (e.g. enthusiasm and pride) is related to OCB, whereas negative emotion (e.g. anger and anxiety) is related to Counterproductive Work Behavior (CWB) (Spector and Fox, 2002). OCB is associated with feelings of empathy, control and self-efficacy; if people feel their help is going to be effective they are more likely to make an effort. CWB is behavior intended to damage an organization or other members thereof and includes acts such as avoiding work, doing tasks incorrectly, physical aggression, insults, sabotage and theft. Some acts such as hostility are directed at people and others such as sabotage are directed at organizations.

Abraham (1999) claimed that EI may enhance certain pro-social behavior, one of which is assisting co-workers with personal matters. Abraham argued that being more sensitive to changes in the moods of co-workers; the emotionally intelligent employee may sense that other individuals are experiencing family problems, emotional upsets or censure for violation of organizational rules. Such employees are likely to respond

by listening sympathetically, use optimism to change moods from negative to positive or use their emotional knowledge of such situations to offer counsel and empathize with the co-worker.

Table 1: Service Types

| Service type         | Descriptions  | Examples  |
|----------------------|---|---|
| Professional Service | Organizations with relatively few transactions, highly customized, process oriented, with relatively long customer contact time. Value added processes occur in the front office where considerable judgment is applied in meeting customer needs.  | Consultants, corporate banks, doctors and architects        |
| Service Shop         | A category which falls between Professional and Mass Service where the levels of classification dimensions fall between the two extremes. These services use moderate degrees of customization and discretion, a mixture of people and equipment and value is added both in the front and back offices. | Retail banks, rental services and hotels                    |
| Mass Service         | Organizations where there are many customer transactions with limited contact time and little customization. The offering is mainly product-oriented with most of the value being added in the back office and little judgment is applied by the front office staff.                                    | Telecommunications, bus services and the fast food industry |

Research has shown mixed results on the efficacy of EI in the enhancement citizenship behavior. A study conducted by Day and Carroll (2004) found that EI measured using the MSCEIT scale was unrelated to individual-level citizenship behavior, but somewhat related to group-level citizenship behavior. This may be a consequence that the group considered in the study had only worked together for a short period of time and therefore they were perhaps unable to accurately assess the citizenship behavior of fellow group members. Côté and Miners (2006) determined that the relationship between EI and OCB directed at the organization becomes more positive as cognitive intelligence (CI) decreases, but there is no relationship between EI and OCB directed at the individual. Employees with low EI and low CI obtained low OCB, conversely employees with high EI, but low cognitive intelligence CI obtained high OCB.

Employees who have high EI are able to generate positive emotions and reduce negative ones through emotion management, which promotes

organization role. Relationships between EI and OCB are moderated by the types of service with which employees are associated. Table 1 presents and highlights the differences between the three types of service. In professional service (consultants, corporate banks, doctors and architects), the service is customized, dependent on employee discretion and involves a high degree of interaction with others; employees with high EI abilities are able to align their needs with those of the organization and readily engage in organization role. In service shops (retail banks, rental services and hotels), services are more standardized and involve less interaction with customers and other employees, going beyond the call of duty, such as helping others and promoting the company may be of concern to employees, but it is not as significant as that exhibited in professional service. In mass service (telecommunications, bus services and the fast food industry), offering standardized and routine service does not necessarily require employee discretion and judgment, or significant interaction with others. Going beyond the call of duty to help others and promote an organization is consequently the least significant in the service delivery, therefore EI may only slightly influence the organization role of employees in mass service. With regard to the abovementioned relationships the following twelve hypotheses have been made:

- H1: Professional Service moderates the relationship between Self Emotional Appraisal (SEA) and Organization Role*
- H2: Professional Service moderates the relationship between Others' Emotional Appraisal (OEA) and Organization Role*
- H3: Professional Service moderates the relationship between Regulation of Emotion (ROE) and Organization Role*
- H4: Professional Service moderates the relationship between Use of Emotion (UOE) and Organization Role*
- H5: Service Shop moderates the relationship between Self Emotional Appraisal (SEA) and Organization Role*
- H6: Service Shop moderates the relationship between Others' Emotional Appraisal (OEA) and Organization Role*
- H7: Service Shop moderates the relationship between Regulation of Emotion (ROE) and Organization Role*

- H8: Service Shop moderates the relationship between Use of Emotion (UOE) and Organization Role*
- H9: Mass Service moderates the relationship between Self Emotional Appraisal (SEA) and Organization Role*
- H10: Mass Service moderates the relationship between Others' Emotional Appraisal (OEA) and Organization Role*
- H11: Mass Service moderates the relationship between Regulation of Emotion (ROE) and Organization Role*
- H12: Mass Service moderates the relationship between Use of Emotion (UOE) and Organization Role*

The relationships among the variables considered are illustrated in Figure 1. The diagram hypothesizes that the independent variables; Self Emotional Appraisal, Others' Emotional Appraisal, Regulation of Emotion and Use of Emotion, directly influence the Organization Role (dependent variable). This relationship is itself moderated by the type of service; Professional Service, Service Shop and Mass Service.

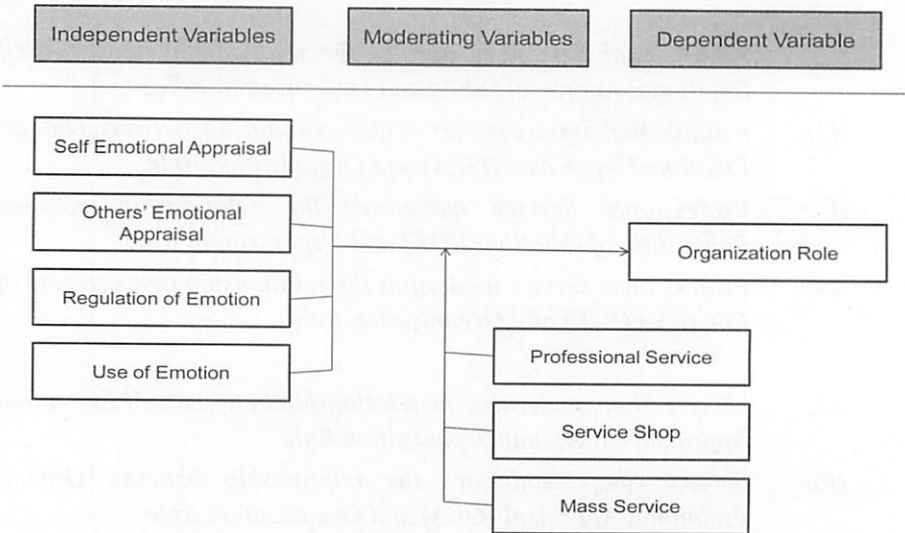


Figure 1: The conceptual framework of the study.

## METHODOLOGY

Service providers' EI was measured using the 16-item self-rated EI scale developed by Wong and Law (2002) (WLEIS). This scale is based on Salovey and Mayer's (1990) original conceptualization of EI, which is recognized as being highly suitable in such applications with respect to the scale's factor structure, internal consistency, and convergent and discriminant validity (Law, Wong, and Song, 2004; Sy, Tram, and O' Hara, 2006; Wong and Law, 2002). WLEIS may be conceptually defined as follows:

1. *Self Emotional Appraisal (SEA)* – an individual's ability to understand their deep emotions and be able to express these emotions naturally. A sample item is "I have a good sense of why I have certain feelings most of the time".
2. *Others' Emotional Appraisal (OEA)* – an individual's ability to perceive and understand the emotions of people around them. A sample item is "I always know my friends' emotions from their behavior".
3. *Regulation Of Emotion (ROE)* – the ability of people to regulate their emotions, which enables more rapid recovery from psychological distress. A sample item is "I am able to control my temper so that I can handle difficulties rationally".
4. *Use Of Emotion (UOE)* – an individual's ability to use their emotions to direct them towards constructive activities and personal performance. A sample item is "I always set goals for myself and then try my best to achieve them".

Each of the four items is rated on a 7-point scale ranging from 1 (totally disagree) to 7 (totally agree). The original authors of this method reported that reliability estimates (coefficient alphas) for the four dimensions; SEA, OEA, ROE and UOE are of the order 0.89, 0.85, 0.76 and 0.88, respectively. In this study, the reliability estimates for the four EI dimensions considered are 0.90, 0.89, 0.92 and 0.89, respectively.

The measure of organization role was adopted from Welbourne *et al.*'s (1998) Role Based Performance Scale (RBPS), which comprises of four items. The assessment of organization role was performed by service providers' peers in order to avoid measurement bias (Podsakoff *et al.*, 2003). A sample item for organization role measurement is "Doing things that help others when it is not part of their job". Each item is rated on a 5-point scale ranging from 1 (needs much improvement) to 5 (excellent). In this study, the reliability estimate for organizational role was 0.90, which indicates that it is a highly reliable means to measure the construct.

A service process choice questionnaire developed by Collier and Meyer (2000) was used to verify service classifications as proposed by Silvestro *et al.* (1992). The seven-item scale serves as a tool to identify whether a service business falls into the proposed three categories or otherwise. A sample item for service classification measurement is "How much customization does the service provider offer for the most common service?" The response alternatives range from 1 (no customization) to 10 (total customization).

## RESEARCH SAMPLE

A total of 400 questionnaires were distributed to service employees attached to 40 service companies located in Selangor and Kuala Lumpur, who had already expressed their willingness to participate in this study. Questionnaires were distributed through the human resources managers at each participating company, who were requested to randomly distribute the questionnaires to their respective employees (self-selected respondents) in accordance with the work of Bhaskaran and Sukumaran (2007). The process of questionnaire distribution and collection took approximately six months from October 2007 to March 2008.

Out of the 400 questionnaires distributed, a total of 188 were returned, yielding a response rate of 47%, which is consistent with standard response rates for surveys used in organizational research (Baruch and Holtom, 2008). Of the 188 responses, 19 were found to be unusable, because they were either incomplete or completed by inappropriate individuals, hence they were excluded from subsequent data analysis. Thus, only 167 questionnaires (41.75%) were coded and analyzed. Table 2 presents the response rate for each type of participating anonymous company in this study.



**Table 2: Profile of Companies**

| Nature of Service          | Types of Service     |              |              | Total |
|----------------------------|----------------------|--------------|--------------|-------|
|                            | Professional Service | Service Shop | Mass Service |       |
| Accounting Services        | 13                   | 0            | 2            | 15    |
| Banking And Consultation   | 15                   | 2            | 0            | 17    |
| Banking Services           | 6                    | 5            | 10           | 21    |
| Call Center                | 0                    | 0            | 16           | 16    |
| Consultation               | 2                    | 2            | 2            | 6     |
| Courier Services           | 0                    | 10           | 0            | 10    |
| Hotel Services             | 0                    | 11           | 6            | 17    |
| Insurance Services         | 9                    | 5            | 0            | 14    |
| Investment Services        | 0                    | 5            | 10           | 15    |
| Legal Services             | 11                   | 0            | 0            | 11    |
| Sales And Services         | 0                    | 5            | 5            | 10    |
| Telecommunication          | 0                    | 8            | 7            | 15    |
| Total usable questionnaire | 56                   | 53           | 58           | 167   |

## PROFILE OF RESPONDENTS

**Table 3: Profile of Respondents**

| Demographic Variables | Category       | n   | %    | Demographic Variables     | Category            | n     | %    |
|-----------------------|----------------|-----|------|---------------------------|---------------------|-------|------|
| Gender                | Male           | 69  | 41.3 | Job Experience            | <2 years            | 48    | 28.7 |
|                       | Female         | 84  | 50.3 |                           | 2-6 years           | 48    | 28.7 |
|                       | Total          | 153 | 91.6 |                           | 6-10 years          | 27    | 16.2 |
|                       | Missing values | 14  | 8.4  |                           | >10 years           | 29    | 17.4 |
| Marital Status        | Single         | 71  | 42.5 | Total                     | Total               | 152   | 91.0 |
|                       | Married        | 82  | 49.1 |                           | Missing values      | 15    | 9.0  |
|                       | Total          | 153 | 91.6 |                           | Certificate         | 40    | 24.0 |
| Job position          | Missing values | 14  | 8.4  | Educational qualification | Diploma             | 35    | 21.0 |
|                       | Non-managerial | 109 | 65.3 |                           | Bachelor and others | 76    | 45.5 |
|                       | Managerial     | 43  | 25.7 |                           | Total               | 151   | 90.4 |
|                       | Total          | 152 | 91.0 |                           | Missing values      | 16    | 9.6  |
|                       | Missing values | 15  | 9.0  | Average Age               |                     | 30.11 |      |

In order to evaluate whether a representative and unbiased cross-sectional society sample was used in this study, respondents were asked to provide demographic details pertaining to their job position, age, gender, marital status, job experience and educational qualifications, Table 3. The demographic variables were controlled so that any observed associations are not spurious due to bias within the sample (Lopes *et al.*, 2006) and therefore alternative explanations for any findings could be excluded (Côté and Miners, 2006).

## DATA ANALYSIS

The data for the study was checked for missing values and analyzed for randomness. Since the missing values were deemed to occur randomly mean substitution in accordance with the work of Hair *et al.* (2006) was used to derive representative replacement values.

## PROFILE OF FIRMS

Based on service classification theory, the original number of respondents for professional service, service shop and mass service were 52, 50 and 53, respectively. The theory-based classifications were tested to ensure that they were concordant with the empirical data. Cluster analysis was conducted to verify respondent groupings with respect to the responses from the five questionnaire statements. These statements measure the extent to which service is related to people versus equipment, customization versus standardization, extent of employee/customer contact, level of employee discretion, value added in the back office versus the front office, and product versus process. Post cluster analysis, the number of respondents for Professional Service, Service Shop and Mass Service became 48, 56 and 51, respectively. The results for the cluster analysis are presented in Table 4.

**Table 4: Cross-tabulation of Cluster Case Analysis**

|                      |               | Cluster Case Number  |              |              | Total  |
|----------------------|---------------|----------------------|--------------|--------------|--------|
|                      |               | Professional Service | Service Shop | Mass Service |        |
| Professional Service | Count         | 13                   | 20           | 19           | 52     |
|                      | % within type | 25.0%                | 38.5%        | 36.5%        | 100.0% |
|                      | % of Total    | 8.4%                 | 12.9%        | 12.3%        | 33.5%  |
| Service Shop         | Count         | 14                   | 21           | 15           | 50     |
|                      | % within type | 28.0%                | 42.0%        | 30.0%        | 100.0% |
|                      | % of Total    | 9.0%                 | 13.5%        | 9.7%         | 32.3%  |
| Mass Service         | Count         | 21                   | 15           | 17           | 53     |
|                      | % within type | 39.6%                | 28.3%        | 32.1%        | 100.0% |
|                      | % of Total    | 13.5%                | 9.7%         | 11.0%        | 34.2%  |
| Total                | Count         | 48                   | 56           | 51           | 155    |
|                      | % within type | 31.0%                | 36.1%        | 32.9%        | 100.0% |
|                      | % of Total    | 31.0%                | 36.1%        | 32.9%        | 100.0% |

## RELIABILITY AND CORRELATION ANALYSIS

Reliability analysis was performed using Cronbach alpha determination of each measure. The closer the Cronbach alpha value is to one, the greater the reliability of the measure, which indicates stability and consistency of the instruments used to measure the concept and can be used to assess the goodness of measure (Sekaran, 2000). It is suggested that the minimum acceptable reliability be set at 0.60. The Cronbach alpha values for the independent variables range from 0.89 to 0.92, for the dependent variable the value is 0.90, which exceed Nunnally's (1978) threshold of 0.70 and thus indicates that the measures have high internal consistency.

With respect to the correlation analysis, all EI variables are moderately correlated to each other, which suggests convergent validity, Table 5. The EI variables are not significantly correlated to the organization role variable, irrespectively the variables were submitted for subsequent analyses in order to evaluate the interaction effects between the independent and moderating variables, and their influence on the dependent variable.

**Table 5: Correlation Analysis**

| No | Factors                     | Mean | SD   | 1      | 2      | 3      | 4            |
|----|-----------------------------|------|------|--------|--------|--------|--------------|
| 1  | Self Emotional Appraisal    | 5.51 | 0.93 | (0.90) |        |        |              |
| 2  | Others' Emotional Appraisal | 4.87 | 0.86 | 0.514* | (0.89) |        |              |
| 3  | Regulation of Emotion       | 5.00 | 0.95 | 0.301* | 0.371* | (0.92) |              |
| 4  | Use of Emotion              | 5.60 | 0.81 | 0.498* | 0.520* | 0.475* | (0.89)       |
| 5  | Organization Role           | 3.86 | 0.73 | 0.034  | 0.072  | 0.123  | 0.067 (0.90) |

*Notes: \*Correlation is significant at an alpha level of 0.01 (2-tailed); Cronbach's alpha reliability coefficients are on the diagonal in parentheses.*

## HYPOTHESES TESTING

The analysis deals with testing the moderating effects of professional service, service shop and mass service on the relationship between EI variables and employee organization role. The homogeneity of error variance components for each relationship between the independent and dependent variables for all three services were determined using Alternative Tests for Moderated Multiple Regression (ALTMMR) (Aguinis, 2004) and was performed prior to performing regression analysis. ALTMMR is an online computer program that verifies whether the homogeneity of error variance assumption has been violated and performs a test for moderation using analyses other than moderated multiple regression (MMR) when there is a violation of the assumption. The results from applying DeShon and Alexander's (1996) rule of thumb for homogeneity, indicates that all group variances are homogeneous. Similarly, the results of ALTMMR (Bartlett's (1937) tests) confirm the homogeneity of error variance of the moderator-based subgroups for the relationships between EI and organization role (SEA and organization role ( $M=1.25$ ,  $p=0.54$ ), OEA and organization role ( $M=1.58$ ,  $p=0.45$ ), ROE and organization role ( $M=1.47$ ,  $p=0.48$ ), and UOE and organization role ( $M=1.28$ ,  $p=0.53$ )), thus, regression analysis could be performed.

Before one can test the significance of an interaction term with respect to the regression weightage; it must be determined whether the total variance explained,  $R^2$ , is significantly different from zero in accordance with the work of Bedeian and Mossholder (1994) who stated that "... given a theory-based, a priori hypothesis, an MMR (moderated multiple regression) analysis is analogous to a planned statistical comparison and, thus, a significant overall  $F$  value is not a prerequisite for interpreting a significant interaction term". Hypotheses 1 to 12 were tested in accordance with the procedure outlined by Baron and Kenny (1986), who stipulated that the effects of the moderating variables should be examined using hierarchical regression analysis. Regression analysis was performed by consecutively entering the control variables (the demographic details); the independent variables; the moderator variables; and the interaction terms between the independent and moderator variables, into the regression equation. If there is a significant change with respect to  $F$  statistics in the total variance explained,  $R^2$ , upon the addition of an interaction term, then this term should be included in the regression equation (Hair *et al.*, 2006).

Table 6 summarizes the results of the multiple hierarchical regression analysis, which evaluates the moderation effect of service types on the relationships between EI variables and organization role. The results indicate little difference between the effect of moderating variables; professional service, service shop and mass service, with respect to the relationships between EI and organization role. ALTMMR (Aguinis, 2004) was consequently employed to validate this finding, because regression analysis works well when the sample size is approximately 120 (Hair *et al.*, 2006) and in this study, the sample sizes are decidedly smaller, hence any results may be unreliable.

The results indicate that service types significantly moderate the relationship between SEA and organization role ( $U=9.67$  and  $U(\text{Critical})=6.21$ ;  $A=9.11$ ,  $p=0.01$ ). However there was no evidence that service types moderate the relationships between EI and organization role (OEA and organization role ( $U=2.90$  and  $U(\text{Critical})=6.21$ ;  $A=2.83$ ,  $p=0.24$ ), ROE and organization role ( $U=0.10$  and  $U(\text{Critical})=6.21$ ;  $A=0.09$ ,  $p=0.95$ ), and UOE and organization role ( $U=2.32$  and  $U(\text{Critical})=6.21$ ;  $A=2.27$ ,  $p=0.32$ ).

Therefore, it can be concluded that service types significantly moderate the relationships between SEA and organization role and thus the three research hypotheses; *H1: Professional Service moderates the*

*relationship between Self Emotional Appraisal and Organization Role, H5: Service Shop moderates the relationship between Self Emotional Appraisal and Organization Role, and H9: Service Shop moderates the relationship between Self Emotional Appraisal and Organization Role, are not rejected, but the remaining nine hypotheses are rejected due to insufficient supporting evidence.*

**Table 6: Multiple Regression Results of Service Types as Moderators in the Relationships between EI and Peer Evaluation of Organization Role**

|                            | Model 1     | Model 2     | Model 3     | Model 4     |
|----------------------------|-------------|-------------|-------------|-------------|
|                            | Std $\beta$ | Std $\beta$ | Std $\beta$ | Std $\beta$ |
| Control variables          |             |             |             |             |
| Age                        | -0.031      | -0.044      | -0.036      | -0.030      |
| Gender                     | 0.043       | 0.063       | 0.061       | 0.077       |
| Marital status             | 0.024       | 0.036       | 0.030       | 0.053       |
| Job position               | 0.033       | 0.012       | 0.008       | -0.005      |
| Job experience: <2 years   | -0.052      | -0.062      | -0.050      | -0.008      |
| Job experience: 2-6 years  | -0.123      | -0.144      | -0.142      | -0.131      |
| Job experience: 6-10 years | 0.000       | 0.004       | 0.001       | 0.002       |
| Education: certificate     | 0.173*      | 0.177*      | 0.180*      | 0.136       |
| Education: diploma         | 0.011       | 0.005       | -0.001      | -0.042      |
| Model variables            |             |             |             |             |
| SEA                        |             | -0.032      | -0.027      | -0.016      |
| OEA                        |             | 0.077       | 0.070       | -0.060      |
| ROE                        |             | 0.117       | 0.123       | 0.218       |
| UOE                        |             | 0.021       | 0.007       | -0.131      |
| Moderating variables       |             |             |             |             |
| Service Shop               |             |             | -0.062      | -0.036      |
| Mass Service               |             |             | 0.011       | 0.006       |
| Interaction terms          |             |             |             |             |
| SEA x Service Shop         |             |             |             | 0.202       |
| OEA x Service Shop         |             |             |             | -0.025      |
| ROE x Service Shop         |             |             |             | -0.101      |
| UOE x Service Shop         |             |             |             | 0.180       |
| SEA x Mass Service         |             |             |             | -0.175      |
| OEA x Mass Service         |             |             |             | 0.166       |
| ROE x Mass Service         |             |             |             | -0.035      |
| UOE x Mass Service         |             |             |             | 0.072       |
| R <sup>2</sup>             | 0.046       | 0.070       | 0.074       | 0.145       |
| Adjusted R <sup>2</sup>    | -0.009      | -0.009      | -0.018      | 0.008       |
| R <sup>2</sup> Change      | 0.046       | 0.025       | 0.004       | 0.071       |
| F Change                   | 0.833       | 1.016       | 0.337       | 1.477       |
| Significance F Change      | 0.587       | 0.401       | 0.714       | 0.171       |
| Durbin-Watson              |             |             |             | 2.089       |

*Notes: \*significance at the 0.1 level; Dummy coded variables: Gender: 0 male, 1 female; Marital status: 0 single, 1 married; Job position: 0 non-managerial, 1 managerial; Job experience: 100 <2 years, 010 2-6 years, 001 6-10 years, 000 >10 years; Education: 10 certificate, 01 diploma, 00 bachelor degree and others; Service types: 00 Professional Service, 01 Service Shop, 10 Mass Service.*

THE MODERATING EFFECT OF SERVICE TYPES ON THE RELATIONSHIPS BETWEEN EMOTIONAL INTELLIGENCE AND WORK EFFECTIVENESS

This study determined that service types significantly moderate the relationship between SEA and service provider organization role, the results for which are presented diagrammatically in Figure 2. The SEA ratings for professional service providers decrease with increasing SEA level, which is in direct contrast to mass service providers whose ratings increased significantly with increasing SEA level. The most interesting result corresponds to service shop providers, because the SEA rating attains a maximum at a moderate level of SEA and exhibits comparatively low ratings for both low and high SEA levels. The results imply that in order to perform organization role effectively; professional service providers require low levels of self SEA, service shop providers need moderate levels of SEA and mass service providers require high levels of SEA.

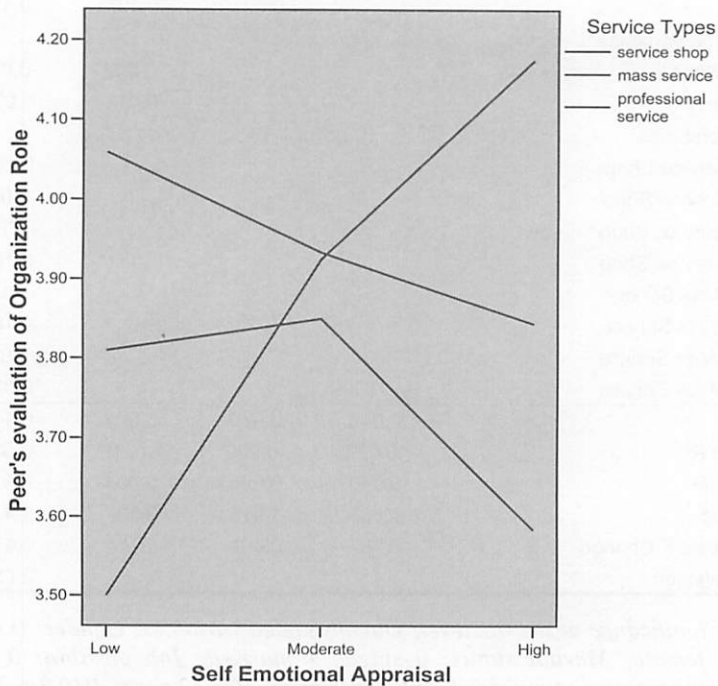


Figure 2: The moderating effect of Service Types on the Relationship between Self Emotional Appraisal and Organization Role



Theoretically, employees who have high EI abilities are able to generate positive emotions and reduce negative ones through emotion management thereby achieving high organization role (Abraham, 1999; Côté and Miners, 2006; Day and Carroll, 2004; Spector and Fox, 2002). The relationships exhibited between SEA and organization role are moderated by the types of services with which employees are associated; in professional service the job requires service providers to work cooperatively with others in order to effectively satisfy customer needs, hence at low levels of SEA employees receive the highest peer evaluation ratings with respect to their organization role. At moderate and high levels of SEA their organization role declines due to too much attention being paid to their feelings and emotions, thus causing them to reevaluate their actions, for example the assisting of co-workers with personal matters. It is plausible that too much SEA might make employees more self-centered, resulting in their pursuit of personal interest above and beyond that of the organization.

In service shops, since the service is moderately customized, dependent on employee discretion and requires moderate interaction with customers, moderate level SEA significantly contributes to employee organization role effectiveness. Employees with a moderate level of SEA are able to align their needs with the organization and are willing to assist their co-workers with personal problems. However, a high level SEA caused a drop in organization role effectiveness rating due to similar reasons as already highlighted for professional service; too much SEA may contribute to egocentric service providers.

In mass service routine and standardized services are provided, which do not require high customer interaction and employee discretion; provider organization role rating increases with SEA level most likely as a consequence of promoting pro-social behavior, such as helping others with personal matters and promoting the organization's interests. Such pro-social behavior may compensate for unfavorable feelings resulting from working in a confined environment and from doing a highly structured and routine job.

## RESEARCH IMPLICATIONS

Analysis was conducted on 167 data acquired from various service organizations, for which measures were taken to ensure that findings can be generalized across a population, and for which twelve hypotheses were made. Nine of the proposed hypotheses were not empirically supported due to insignificant results, which may be a consequence of too small a sample size (Cozby, 1996). Unfortunately due to the small sample size, separate analysis based on the service categories (professional service, service shop and mass service) as proposed by Silvestro *et al.* (1992) cannot be conducted. If the sample size were adequately large, at least 100 responses for each service category, it would be possible for multivariate data analysis to be conducted to further validate the findings. Therefore, any future studies should consider the issue of sample size and incorporate separate analysis with respect to the service categories in order to evaluate the variances identified in this study.

The service positioning matrix proposed by Silvestro *et al.* (1992) provides a useful guideline to classify services into homogeneous groups, however service classification according to certain service themes, such as retail and corporate banking, can be misleading. A more accurate classification could be achieved if the job title of service providers is considered. For example, a marketing officer in corporate banking has a high degree of interaction with customers, and a job scope with moderate to high standardization that requires moderate to high discretion, whereas a bank officer in corporate banking has low to moderate interaction with customers, and a job scope with low to moderate service standardization that requires low to moderate discretion. Although both officers work in the same business one officer offers Service Shop/Professional Service and the other offers Service Shop/Mass Service. Therefore, service classification with respect to service provider job title might be a more accurate way to perform service classification.

## THEORETICAL CONTRIBUTION

The presented study provides empirical evidence of the influence of service types; professional service, service shop and mass service, on relationships between EI factors, which comprise of SEA, OEA, ROE and

UOE, and service provider organization role. SEA has been identified to influence peer evaluation of service provider organization role.

Furthermore, this study incorporated ALTMMR, developed by Herman Aguinis (Aguinis, 2004), to investigate the homogeneity of error variance components in the moderator subgroups prior to testing the moderation affects of categorical variables; namely service types, on the relationships between EI and organization role. The analysis was successfully used to verify the findings derived from the hierarchical regression analysis.

## **MANAGERIAL CONTRIBUTION**

The presented study has established that EI, especially SEA, enhances service provider organization role. Mass service providers should be equipped with high SEA so that they will effectively engage in organization role through helping others and promoting organization well-being. Service shop providers are most effective with respect to organization role when SEA is of a moderate level, however beyond that level employees may become more self-centered. Professional service providers should be exposed to low levels of SEA, since employees are likely to become self-centered by placing their personal interests above and beyond those of the organization for whom they work. Therefore, different strategies should be applied to the different service provider categories; in mass service, the management should select and train employees with high SEA in order to compensate for inauspicious nature of employees work. In service shop, the management should provide an adequate (moderate) amount of SEA through training and development programs to facilitate employees embarking on organization role. In professional service, EI or SEA, in particular, are found to be obstacles for employees when engaging in organization role, therefore the management should not encourage EI in this type of service environment. Caution should be exercised prior to implementing any strategies, since the findings of the current study could be misrepresentative of a larger population and therefore further studies should be performed to verify the presented findings.

## **CONCLUSION**

In service organizations, dealing with emotion is inevitable, which may according to psychologists detrimentally affect organization effectiveness due to its inherent contagious nature, hence one's feelings may be transferred to others whether they are aware or oblivious of a situation. To create a positive emotional climate, employees must equip themselves with a mechanism to protect themselves from emotional contagion and maintain control of a situation. EI is believed to enhance service providers' organization role through successful regulation of emotion. In the presented study, employee ability to understand deep emotions and express these emotions naturally (SEA) is crucial in mass service in order to achieve organization role effectiveness. The emotional self awareness of an employee in mass service improves their capability to understand their emotional state and thus increases their willingness to assist others and the organization as a whole. However, if an employee in a professional service or service shop is exposed to too much SEA there is a tendency for them to become more self-centered and focus more on the pursuit of their personal interests above and beyond those of the organization.

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