

THE RELATIONSHIP BETWEEN CULTURAL INTELLIGENCE  
AND TEAM EFFECTIVENESS AMONG ADMINISTRATIVE  
SUPPORT STAFF AT SETIA ECOHILL SDN BHD

Prepared for:  
PROFESOR MADYA PAULINE ACHAN

Prepared by:  
RAJA FIRDAUS BIN RAJA AZIZ  
BACHELOR OF OFFICE SYSTEMS MANAGEMENT (HONS)

UNIVERSITI TEKNOLOGI MARA (SARAWAK)  
FACULTY OF BUSINESS AND MANAGEMENT

JUNE 2017

## ABSTRACT

Organization nowadays builds to perform their function through teams and groups. There want to look for individual that have a good performance in a group and also have the skill to communicate and adapt with people from various cultures effectively. Therefore, people should know and familiar with other cultures and they need to interact with people from other cultures properly. For this purpose, they need cultural intelligence. The purpose of these studies is to examine the relationship between cultural intelligence and its four factors with team effectiveness in Setia Ecohill Sdn Bhd at Selangor. The sample consisted of 80 administrative support staff from Setia Ecohill Sdn Bhd. The participant received a questionnaire to measure the four factor model of cultural intelligence and team effectiveness. The reliability of the questionnaire also was tested by conducting a pilot study. They were analyse by using SPSS software version 23. The Pearson correlation coefficients were used to determine the relationship between cultural intelligence and each factors of it with team effectiveness. According to the results, the cultural intelligence ( $r=.612$ ) and all of its factor, metacognitive (strategy) ( $r=.468$ ), cognitive (knowledge) ( $r=.446$ ), motivational (drive) ( $r=.604$ ) and behavioural (action) ( $r=.613$ ) showed a strong positive and significant relationship with team effectiveness. In the future, the organization can promote cultural intelligence by training the employees to make them familiar with the differences and similarities across cultures It is also recommended for the future researcher to conduct the study in another location or company. It is also much recommended for the future researcher to use mixed method in collecting data in order to provide more information on team effectiveness.

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## **CHAPTER 1**

### **INTRODUCTION**

This chapter discusses the overview of the research that has been conducted. The background, research problems, research objectives, research questions, limitations of the study, significance and definition of the terms were briefly stated. Therefore, this chapter was aimed at answering the questioning why there was a need to conduct this study and the importance of the research findings to the relevant parties.

#### **Background of the Study**

With cultural diversities among peoples in our society, good communication among each other has become a greater challenge. As globalization rendered the business environment around the world to become more complex, dynamic and competitive, the ability to function effectively in different cultural contexts called Cultural Intelligence (CQ) has never been more important for organizations (Lion, 2015). Cultural differences can affect a team's performance in an organization (Sarah C. Bauer, 2016) and a lack of attention on cross cultural communication in a team setting can bury your organization in strife, muted conflict, poor motivation and worse (Corey & Fok, 2014). Cultural intelligence is important because it can affect

interpersonal relationships of trust, global identity, team member acceptance, and integration

The model used in this study is the Four Factor Model of Cultural Intelligence developed by Ang & Earley(2003). Strategy CQ refers to how a person makes sense of inter-cultural experiences and Knowledge CQ describes how a person's understanding of how cultures are similar and how cultures are different. Motivation CQ on the other hand refers to a person's interest in experiencing other cultures and interacting with people from different cultures while Behaviour CQ explains a person's capability to adapt verbal and non-verbal behaviour so it is appropriate for different cultures. The latest research about Cultural Intelligence is CQ Cultural Intelligence: The Intelligence Needed to Operate a Globalized World by (Farhi-Zimmerman, 2016) and in her finding, fieldwork proves that cultural intelligence is an essential tool for business leaders who pursue clients globally and seek to make their companies successful. Another research was carried out in July 2016 from the Hasan Kalyoncu University Faculty of Economics and Administrative Sciences on Cultural Intelligence and Employee Well-Being at Intercultural Environment, Intergovernmental and Non-governmental Organizations context. The findings show that there is significant positive correlation between motivational CQ and employee well-being (Ipekci, 2016).

When an individual works in groups, they must know that every member in the group has different culture and at the same time managers need to know how people that have different cultural background can work together. Furthermore, many experts believe that members of a group need an important ability to perform effectively in a group and that is referred to as cultural intelligence (Khani, Etebarian, & Abzari, 2011). An effective group has certain characteristics, a clear and shared