Emotional Intelligence and Employee Outcomes: Moderating Role of Organizational Politics

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Abstract

Drawing from the previous studies, investigating the direct effect of emotional intelligence (EI) on employee outcomes, this study proposed that perceived organizational politics (POP) will be negatively related to EI and will also moderate the relationships between EI and employee outcomes. A total of 229 employees from 27 public and private organizations of Nepal participated in the study. Hierarchical multiple regression analyses were conducted to test the hypotheses. The moderating effect was also tested using the graphical method. Regression results showed significant positive relationships between EI and employee-outcomes—job satisfaction, job involvement, and organizational citizenship behavior. POP was not associated with EI. Assessment of moderating effect showed the moderating effect of POP on the relationship between EI and job satisfaction only. Practical and research implications of the findings are discussed and directions for future research are suggested.

Keywords

Emotional intelligence, perceived organizational politics, job involvement, job satisfaction, organizational citizenship behavior

Introduction

Emotional intelligence (EI) has gained the wider attention of scholars and practitioners in the fields of psychology, leadership, organization psychology, human resource management, and organizational behavior in the past two decades. However, interest in this area is not new. During the eighteenth century, the "follow your heart" philosophy, an opinion that feeling and intuition, guard truth which is more valid than reason, was widely popular (Reddy, 2001). On the other hand, in ancient Greece, rationality was given more priority over emotions.

The arguments on emotions and rationality existed from ancient times. Scholarly interest in the concept of EI is also not new as scholars had started working in this area from the early 1920s (Carmeli, 2003). But, EI was brought into the organizational context by Salovey and Mayer in 1990.

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Their conceptualization of the construct EI opened the door to a whole array of research on developing instruments for EI and assessing its relationship with many important individual and organization level outcome variables, as a result of which a plethora of studies investigating the relationship between EI and outcomes abound in the literature. These studies (e.g., Aghdasi, Kiamanesh, & Ebrahim, 2011; Carmeli, 2003; O'Boyle, Humphrey, Pollack, Hawver, & Story, 2011) in general indicate that EI positively influences individual level outcomes such as job satisfaction, job involvement, organizational citizenship behavior (OCB), job performance, etc.

Despite the fact that a vast amount of scholarly literature from empirical studies conducted in Western culture have suggested a positive influence of EI on several individual and organizational level outcomes. Only limited studies have investigated EI–outcome relationships in the Eastern cultural context. It is generally accepted that culture models and maintains emotions (Kitayama & Markus, 1994). EI is considered as a general human ability (Law, Wong, & Song, 2004) and the behavior resulting from that ability is not the same across cultures. Planalp and Fitness (1999) also indicated that the extent to which emotions are discussed and recognized vary across cultures. This naturally leads to the question whether EI influences outcome variables in the same way across cultures and necessitates further investigations in the Eastern cultural context.

Similarly, although past studies have consistently established a direct relationship between EI and outcomes, only a few studies have examined the relationship between EI and perceived organizational politics (POP) (e.g., Vigoda-Gadot & Meisler, 2010). The findings have been inconclusive, and to the best of the knowledge of the authors, no studies have yet attempted to examine the moderating role of POP on EI–outcome relationships. POP, a variable that has been found to have dysfunctional individual/organizational level outcomes could be one of the important variables that might affect the relationships between EI and the outcomes. Meisler and Vigoda-Gadot (2014) conducted a study with the argument, "It is difficult to imagine that organizational politics does not evoke intense emotions among those who participate in, or even witness, the political games" (p. 120). Contrary to Vigoda-Gadot and Meisler's (2010) study, this study found a negative relationship between EI and organizational politics. Therefore, this study intends to investigate the relationship between EI and POP and the employee outcomes. In addition it studies the moderating role of POP in the relationships between EI and job satisfaction, job involvement, and OCB in Nepali organizations, which operate in a distinct Eastern culture.

Theoretical Background and Research Hypotheses

Emotional Intelligence

Salovey and Mayer (1990) were the first to introduce the term "emotional intelligence" in the literature on psychology, even though the origin of the concept goes back to early studies of 1920s (Carmeli, 2003). These authors defined EI as "the subset of social intelligence that involves the ability to monitor one's own and others' feelings and emotions, to discriminate among them and to use this information to guide one's thinking and actions" (p. 189). In 1997, Salovey and Mayer refined this definition and defined EI as "the ability to perceive emotions, to access and generate emotions so as to assist thoughts, to understand emotions and emotional knowledge, and to reflectively regulate emotions so as to promote emotional and intellectual growth" (p. 10). Many other scholars (e.g., Goleman, 1998; Martinez, 1997; Petrides & Furnham, 2006) have also generated alternative

definitions of EI. However, Zeidner, Matthews, and Roberts (2004), from their review of the literature suggest that there are two models of EI—(1) mental ability models and (2) mixed models. Mental ability models view EI as a well-defined and conceptually related set of cognitive abilities for processing emotional information and regulating emotion adaptively, whereas mixed models view it as a diverse construct that includes aspects of personality and the ability to perceive, assimilate, understand, and manage emotions (Chiva & Alegre, 2008).

In the past two decades, there has been a significant growth of scholarly interest in EI. There are numerous studies investigating the linkage between EI and several other outcome variables such as leadership effectiveness (e.g., Mills, 2009), work attitudes and behaviors (e.g., Carmeli, 2003), job performance (e.g., O'Boyle et al., 2011) work–family conflict (e.g., Carmeli, 2003), decision-making skills (e.g., Hess & Bacigalupo, 2011), team performance (e.g., Naseer, Chishti, Rahman, & Jumani, 2011), etc. The findings of these studies have clearly established the linkage between EI and these individual and organizational outcome variables. However, the indirect (mediating) mechanism through which EI acts upon outcomes as well as the impact of other variables on the relationships between EI–outcome relationships have not yet gained the sufficient attention of researchers.

Emotional Intelligence and Job Satisfaction

Job satisfaction is one of the most widely researched variables in the organizational context. Many definitions of job satisfaction are found in organizational literature. Price (2001) views job satisfaction as the affective alignment of an employee toward his or her work. Locke (1976) defined job satisfaction and dissatisfaction as an individual's complex emotional reaction to the job. These definitions clearly indicate that job satisfaction or dissatisfaction is related to EI. On the other hand, job satisfaction has been found to be closely linked with several individual outcome variables such as OCB, job performance, organizational commitment, turnover intentions, absenteeism, etc. (e.g., Chen & Silverthrone, 2008; Shrestha, 2012).

Several studies have reported a positive relationship between EI and job satisfaction (e.g., Carmeli, 2003), but Chiva and Alegre's (2008) study found that the relationship between EI and job satisfaction is not significant. As it has been reported that employees with high EI exhibit better ability at managing not only their own feelings but also those of others in the workplace creating a positive impact on morale and job satisfaction (Wong & Law, 2002), this study hypothesized that:

Hypothesis 1: Emotional intelligence is positively related to job satisfaction.

Emotional Intelligence and Job Involvement

The concept of job involvement was introduced by Lodahl and Kejner (1965) for the first time in organizational literature. These authors conceptualized job involvement as a person's experience of the degree of daily absorption in his or her work. After this conceptualization, many scholars have offered different definitions of job involvement. Saleh and Hosek (1976) from the review of past literature suggested that a person is said to be involved in his or job when work to him is central to life interest, he participates actively in his job, perceives performance as central to his self-esteem and perceives his performance as consistent with his self-concept. Furthermore, Kanungo (1982) defined job involvement

as "a belief descriptive of the present job and can satisfy one's present needs" (p. 342). On the other hand, Paullay, Alliger, and Stone-Romero (1994) defined job involvement as "the degree to which one is cognitively preoccupied with, engaged in, and concerned with one's present job" (p. 225).

The different conceptualizations of job involvement as presented above suggest that employees' involvement in job is not merely because of their rational motives. Their emotions also play important roles for getting themselves involved in their jobs (Carmeli, 2003). Previous studies (e.g., Carmeli, 2003; Meisler & Vigoda-Gadot, 2014) examining the relationship between EI and job involvement have also found a significant positive relationship between these variables. Hence, it was proposed that:

Hypothesis 2: Emotional intelligence is positively related to job involvement.

Emotional Intelligence and Organizational Citizenship Behavior

Organizations generally expect their employees not only to be engaged in their assigned roles but also to come up a step ahead and consider their organizations as their own and show intelligence to act for the welfare and betterment of their organizations despite not being directly instructed to do so. Such a behavior of employees' has been defined as OCB. For instance, Organ (1988, as cited in Organ 1997) defined OCB as "individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system and that in the aggregate promotes the effective functioning of the organization" (p. 4). These behaviors have also been recognized as pro-social organizational behavior (Brief & Motowidlo, 1986) or civic organizational behavior (Borman & Motowidlo, 1997). The OCB exhibited by the employees are in favor of their organizations but they may not be directly recognized or appreciated (Podsakoff, MacKenzie, Paine, & Bachrach, 2000).

Owing to the nature of OCB, organizations want to see these behaviors in their employees as it benefits organizations in different ways. For this reason, numerous studies have examined the antecedents and outcomes of OCB and the findings of these studies suggest that OCB is associated with several outcome variables (e.g., job satisfaction, organizational commitment, absenteeism, intent to turnover). For instance, Shrestha's (2012) study found that OCB is positively related to job satisfaction and organizational commitment and negatively related to POP and turnover intentions.

Several researchers have examined the relationship between EI and OCB. Findings of these studies in general indicate that EI is positively associated with OCB (e.g., Carmeli & Josman, 2006; Haider & Nadeem, 2014; Kiyani, Saher, Saleem & Iqbal, 2013). On the other hand, Cote and Miners' (2006) study revealed that EI is linked only with the OCB directed at the organization but not with the OCB directed at individuals. Also, as the definition of OCB suggests that it is discretionary in nature, it can be argued that employees' emotions affect their OCB. Therefore, it was hypothesized that:

Hypothesis 3: Emotional intelligence is positively related to organizational citizenship behavior.

Emotional Intelligence and Perceived Organizational Politics

Gotsis and Kortezi (2009) posit that politics in organizations can be viewed from two different perspectives: (1) a general perspective that characterizes politics as a manifestation of social influence process resulting in beneficial organizational outcomes and (2) a narrow perspective that views politics

as self-serving and unsanctioned attempts that most frequently oppose organizational goals, and considers organizational politics as perceptual phenomenon rather than an objective state.

Most of the studies in the past two decades, especially after the proposition of POP model by Ferris, Fuss, and Fandt (1989), are focused on investigating politics from a narrow perspective. From this perspective, "POP involves an individual's attribution to behaviors of self-serving intent, and is defined as an individual's subjective evaluation about the extent to which the work environment is characterized by co-workers and supervisors who demonstrate such self-serving behavior" (Shrestha, 2012, p. 13).

POP has been researched a great deal and it has emerged as an important predictor of work outcomes. Several studies have consistently found that POP negatively influences employee outcomes such as job satisfaction, job involvement, organizational commitment, turnover intentions (e.g., Bodla, Danish, & Nawaz, 2012; Shrestha, 2012; Vigoda, 2001; Vigoda & Drory, 2010;).

Despite POP's negative effect on employee outcomes and its likely linkage with an individual's emotions, studies examining EI and POP are scant. Nevertheless, the realization among organizational politics scholars of the potential contribution of emotions on both perceptions and the implications of organizational politics is growing. For instance, Liu, Ferris, Treadway, Prati, Perrewé, and Hochwarter (2006) suggested that organizational politics triggers emotional reactions which in turn affect employee attitude and behaviors. Vigoda-Gadot and Meisler (2010) and Meisler and Vigoda-Gadot (2014) examined the relationship between EI and POP. The earlier study found an insignificant relationship between these variables. On the other hand, in the later study, EI was significantly negatively related to POP. Therefore, it was proposed that:

Hypothesis 4: Emotional intelligence is negatively related to perceived organizational politics.

Emotional Intelligence, Perceived Organizational Politics and Outcomes

It has been well established in empirical literature that EI and POP positively and negatively influence employee outcomes. However, the moderating effect of POP on the relationship between EI and outcomes is still unclear since no study has yet attempted to examine the moderating effect of POP on these relationships. As previous studies indicate that POP has a negative effect on outcomes (job satisfaction, job involvement, and OCB) and EI is predicted to have a positive influence on these outcomes. Therefore, the following hypotheses are proposed:

Hypothesis 5a: Perceived organizational politics moderates the relationship between emotional intelligence and job satisfaction.

Hypothesis 5b: Perceived organizational politics moderates the relationship between emotional intelligence and job involvement.

Hypothesis 5c: Perceived organizational politics moderates the relationship between emotional intelligence and organizational citizenship behavior.

The research model showing proposed interrelationships among different variables is shown in Figure 1.
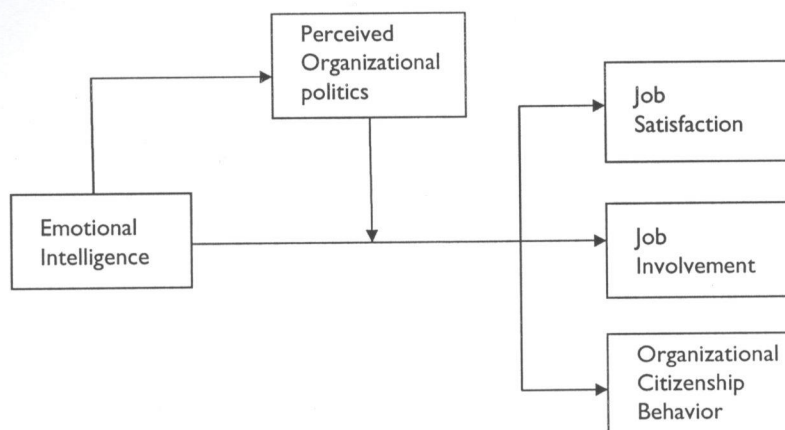
Figure 1. The Research Model
Source: Developed by authors.

Method

Sample and Procedure

Three hundred questionnaires were distributed to the employees working in 27 public and private organizations of Nepal located in the Kathmandu valley. The organizations included diverse sectors of business such as trading, banking and finance, and telecommunications. Altogether, 286 questionnaires were returned, out of which 229 were found usable.

In all, 70 percent respondents of the study were male. Nearly half of the respondents were of officer level, a little more than one-third being of managerial level and above, and the remaining of support level. Marital status was uniformly divided among married and unmarried. Majority respondents had bachelor and masters level education. Approximately 60 percent respondents were aged 30 years or below, 30 percent were in the age group of 31–45 years, and the remaining respondents were above 45 years.

Measures

Already validated scales were used for capturing five study variables. For assessing EI, Wong and Law Emotional Intelligence Scale was used. This scale is a multidimensional scale comprising four dimensions—(1) self emotional appraisal, (2) other's emotional appraisal, (3) regulation of one's own emotion, and (4) appraisal and regulation of emotions in others. This scale has 16 items, and each dimension of the scale is captured by four items. "I have good control of my own emotions" and "I have good understanding of the emotions of people around me" are sample items.

POP was measured by using Kacmar and Carlson's (1997) perceptions of organizational politics scale. This scale is also a multidimensional scale with three dimensions—General Political Behavior (GPB), Go along To Get Ahead (GTGA), and Pay and Promotion Policies (PPP), and comprises 15 items. Nine items that capture GPB and GTGA dimensions were used for the purpose of this study.

Sample items of this scale are "People in this organization attempt to build themselves up by tearing others down" and "It is safer to think what you are told than to make up your mind."

Job satisfaction was captured by using a three-item scale developed by Cammann, Fichman, Jenkins, and Klesh (1983) as part of the Michigan Organizational Assessment Questionnaire. A sample item to measure job satisfaction is "All in all, I am satisfied with my job." For measuring job involvement, scale developed by Lodahl and Kejner (1965) was used. This scale has eight items. A sample item of this scale includes "The most important things that happen to me involve my work."

OCB was assessed using two dimensions—OCBI (OCB directed at specific individuals) and OCBO (OCB directed to the organization) of OCB scale developed by Williams and Anderson (1991). Each dimension of this scale has seven items. The sample items of this scale are "I usually take time to listen to co-workers' problems and worries" and "I usually spend great deal of time with personal phone conversations" (reverse scored).

Responses on all items were captured in a seven-point Likert-type scale. The anchor points were "strongly disagree = 1' to 'strongly agree = 7". Mean score of each scale was calculated by adding the scores on each individual item of the scale and taking the mean of the sum.

Reliability of each scale was assessed by computing Cronbach's alpha. The alpha coefficient of the scales ranged from 0.668 (OCB) to 0.901 (EI).

Results

Pearson correlation coefficients between study variables as well as their mean, standard deviation, and internal consistency reliability (Cronbach's alpha) are shown in Table 1. As indicated in the table, EI is positively related to job satisfaction, job involvement, and OCB ($\gamma = 0.34$, $p < 0.01$; $\gamma = 0.24$, $p < 0.01$; $\gamma = 0.50$, $p < 0.01$, respectively). EI is negatively related to POP but the relationship is not significant ($\gamma = -0.13$, ns).

Table 1. Mean, Standard Deviation, Correlation Matrix, and Cronbach's Alpha

		Mean	SD	1	2	3	4	5
1	EI	5.18	0.77	0.90				
2	OCB	5.04	0.60	0.50*	0.67			
3	JI	4.62	0.91	0.24**	0.41**	0.71		
4	JS	5.03	1.21	0.34**	−0.41**	−0.69**	−0.79	
5	POP	3.99	0.83	−0.13	−0.24**	−0.36**	−0.37**	0.74

Source: Developed by the authors using data from questionnaire survey.
Notes: * $p < 0.05$, ** $p < 0.01$.
JI, job involvement; JS, job satisfaction.
Cronbach's alpha values are shown in diagonal.

The above result indicates that except for POP and EI, all the relationships between different study variables are significant and in the expected directions. But, these correlation analyses, as suggested by several management researchers, are not robust enough to test the proposed hypotheses. Therefore, four different regression equations were estimated to assess the relationships between EI and POP and other outcome variables. The results of regression analyses are shown in Table 2.

Table 2. Multiple Regression Analyses Results

Predictor (EI)	Dependent Variable			
	POP	OCB	JI	JS
Standardized Beta Coefficient	−0.13	0.50	0.24	0.34
R^2	0.02	0.25	0.06	0.12
F	3.27	60.74**	12.30**	27.20**

Source: Developed by the authors using data from questionnaire survey.

Note: **$p<.01$
JI, job involvement; JS, job satisfaction.

The results show that EI has significant positive relationships with job satisfaction, job involvement, and OCB. But, there is no relationship between EI and POP. Therefore, hypotheses 1, 2, and 3 were supported, but hypothesis 4, which proposed negative relationship between EI and POP was not supported.

Assessment of the Moderating Effect

Three moderated multiple regression (MMR) analyses were performed to examine the moderating effects of POP on the relationship between EI and three outcome variables. The results of MMR are shown in Table 3. The MMR results indicate that only the relationship between EI and job satisfaction is moderated by POP. POP has no moderating effect on the relationships between EI and job involvement and between EI and OCB.

The moderating effect of POP on EI–job satisfaction relationship was further assessed using ModGraph-I program developed by Paul E. Jose (2013), which computes the cell means for the graphical display of moderation analysis. The moderating effect of POP on the relationship between EI and job satisfaction is presented graphically in Figure 2. The figure clearly indicates that for the same level of EI, as the level of POP increases, job satisfaction decreases. The results of moderate multiple regression analyses and ModGraph-I, confirmed hypothesis 5a but failed to confirm hypothesis 5b and 5c.

Table 3. MMR to Assess the Moderating Effect of POP on EI–Outcomes Relationships

| Predictor (EI)	Dependent Variable		
	JI	JS	OCB
	Standardized Beta Coefficients		
Model 1			
EI	0.20**	0.30**	0.49**
POP	−0.33**	−0.36**	−0.18**
Model 2			
EI	0.17	−0.29	0.78**
POP	−0.73	−1.19**	0.19
EI×POP	0.05	−0.97**	−0.45
Model 1			
R^2	0.17	0.245	0.292
F	19.0**	31.21**	34.91**

| | Dependent Variable | | |
Predictor (EI)	JI	JS	OCB
Model 2			
R^2	0.17	0.267	0.30
F	12.61**	23.19**	23.63**

Source: Developed by the authors using data from questionnaire survey.

Note: ** $p < 0.01$.
　　　　JI, job involvement; JS, job satisfaction.

Figure 2. Moderating Effect of POP on EI–Job Satisfaction Relationship
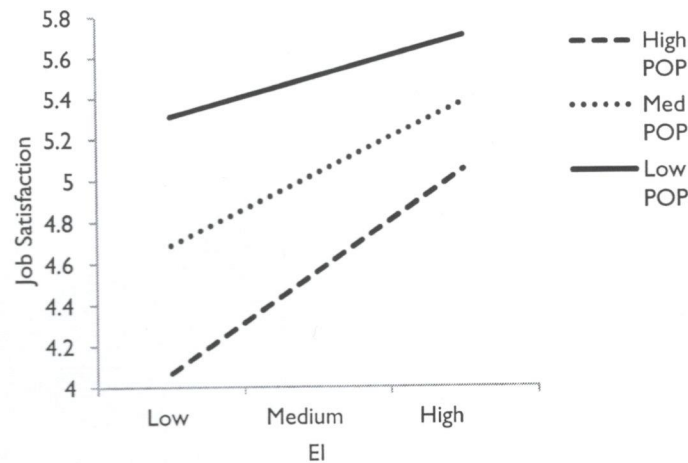
Source: Developed by the authors using data from questionnaire survey.

Discussion

This study examined the influence of EI on employees' attitudinal and behavioral outcomes (job satisfaction, job involvement, and OCB) and the moderating effect of POP on the relationships between EI and the outcomes. Consistent with the findings of previous studies, this study confirmed the direct effect of EI on employees' attitudinal and behavioral outcomes, which indicates that cultural background does not have any influence on direct influence of EI on outcomes.

This study could not confirm the predicted negative relationship between EI and POP. This finding suggests that an employee's EI does not have any direct influence on his/her perceptions of prevalence of politics in the organization, which is consistent with the findings of previous study (e.g., Vigoda-Gadot & Meisler, 2010) but it contradicts the findings of Meisler and Vigoda-Gadot's (2014) study. Since there are only limited studies investigating the relationship between EI and POP, further studies are needed so as to confirm whether the finding of the present study is sample-specific or EI does affect an individual's perceptions of prevalence of politics in the work context.

The study results showed that the POP moderates the relationship between EI and job satisfaction. On the other hand, POP did not moderate the relationship between EI and job involvement and between

EI and OCB. As both EI and POP have been found to have significant influence of employees' attitudinal and behavioral outcomes, it was plausible to hypothesize POP's moderating effects on all three outcome variables. The failure to find support for the moderating effect of POP on the relationship between EI and job involvement could be attributed to job involvement's characterization as a relatively fixed attribute which is unlikely to be changed because of organizational factors (Carmeli, 2005). Further investigation is warranted to confirm the moderating effect of POP on EI and job involvement, and EI and OCB relationships.

As the study supports the direct effect of EI on employee outcomes, the findings can have significant practical implications in organizations. EI can be considered as one of the solutions for increasing employees' job satisfaction, job involvement, and OCB. Support for moderating effect of POP on EI and job satisfaction indicates that employees' perceptions of prevalence of politics in the organization negatively affect the positive influence of EI on job satisfaction. Managers in organizations therefore need to create an environment where employees do not perceive politics and have higher level of satisfaction resulting in better performance.

Limitations and Suggestions for Future Research

This study has several limitations that need to be addressed in future research. First, all the study variables were captured from self-reported measures and therefore self-report bias cannot be ruled out. Second, the samples for this study were drawn from several organizations from diverse sector of business. Small sample size, drawn from several organizations, restricts the representativeness of the sample. Nonetheless, the findings of this study are in line with the findings of the studies carried out in the different cultural contexts suggesting that though emotions are shaped by culture, employees' attitude, and behaviors are influenced by their EI in a similar manner irrespective of the culture.

Findings of this study suggest several avenues for further research. In this study, sample was drawn from several organizations. This study may be replicated with samples from a particular business sector so as to validate the findings of present study. In addition to the replication of the present study, future studies could examine influence of EI on other individual outcomes such as organizational commitment, turnover intentions, and absenteeism. Future studies could also examine the moderating effect of other variables like political skill on the relationships between EI and job involvement, job satisfaction, and OCB as well as the moderating effect of POP on the relationship between EI and other outcome variables.

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