



**EFFECTS OF SPIRITUAL INTELLIGENCE AND
EMOTIONAL INTELLIGENCE ON ORGANIZATIONAL
CITIZENSHIP BEHAVIOR: A STUDY ON ISLAMIC
BANKS IN MALAYSIA**

BY

MD. AFTAB ANWAR

**A dissertation submitted in fulfilment of the requirement for
the degree of Doctor of Philosophy in
Business Administration**

**Kulliyyah of Economics and Management Sciences
International Islamic University Malaysia**

OCTOBER 2016

ABSTRACT

Bank managers play critical roles in dealing with rapid changes and developments experienced in today's global business environment. Both spiritual intelligence and emotional intelligence play significant roles in helping the managers to deal with the dynamic changes in business environment, particularly in the banking and finance industry. These intelligences have influenced behaviour that affects individuals' work performance. Organizational citizenship behaviour exists among employees who have greater emotional awareness of having better work accomplishments through their spiritual and emotional experiences, and creating meaningful and ethical work environments. These phenomena have not been sufficiently studied especially in the backdrop of recent corporate scandals and ethical violations. This study is an attempt to empirically investigate the effects of spiritual intelligence and emotional intelligence on organizational citizenship behaviour, mediated by personal values in the Malaysian banking industry. The research used survey data collected from 324 managers of Islamic banks operating in Malaysia. The study employed Exploratory Factor Analysis (EFA) and Confirmatory Factor Analysis (CFA) to identify the dimensionality and construct validity of Spiritual Intelligence, Emotional Intelligence, Personal Values, and Organizational Citizenship Behaviour. Structural Equation Modeling (SEM) technique was utilised to test the seven hypotheses that were proposed to answer the research questions. The study found significant positive effects of spiritual intelligence and emotional intelligence on organizational citizenship behaviour. The study also confirms the existence of significant mediating effects of personal values in the relationships among spiritual intelligence, emotional intelligence and organizational citizenship behaviour. The findings provide several implications for the advancement of current theories as well as for relevant policy making and professional practices. The findings will be useful to corporate management in making new policy decisions on employee selection, development and appraisal. Besides, intelligence quotient (IQ) and emotional intelligence (EI), spiritual intelligence (SI) shall be considered as a criterion for effective selection of bank employees. The findings will also be useful for the development of SI dimensions of employees by designing and implementing appropriate HRD interventions. By answering all the research questions, this study contributes to the body of literature on spiritual intelligence and emotional intelligence through advancing the current knowledge of organizational behaviour theories (e.g. affective events theory-AET) and the theory of multiple intelligences.

ملخص البحث

يؤدي مدراء المصارف أدواراً حاسمة في التعامل مع التغيرات السريعة والتطورات لهويالخبيرات في البيئـة التجارية العالمية اليوم، وكذلك يؤدي الذكاء الروحي والذكاء العاطفي دوراً مهماً في مساعدة المديرين في التعامل مع التغيرات الدينامية في بيئة الأعمال التجارية، لا سيما في قطاع الخدمات المصرفية والمالية، وهذه الذكاءات أثرت في سلوك أداء أعمال الأفراد؛ إذ يتواجد سلوك المواطنـة التنظيمي بين الموظفين الذين لديهم وعي عاطفي بالعمل بصورة أفضل، ووعي بالإنجازات من خلال تجاربهم الروحية والعاطفية، ويتوافر هذا السلوك أيضاً عند الذين يخلقون بيئة عمل هادفة وأخلاقية. لم تدرس هذه الظواهر بما فيه الكفاية لا سيما في ضوء فضائح الشركات الأخيرة والانتهاكات الأخلاقية. وهذه الدراسة محاولة تجريبية لتحقيق آثار الذكاء الروحي والذكاء العاطفي في سلوك المواطنـة التنظيمية، وتكون عبر القيم الشخصية في الصناعة المصرفية الماليزية. يستخدم البحث مسح البيانات التي تم جمعها من (324) مديراً في المصارف الإسلامية العاملة بماليزيا. استخدمت الدراسة تحليل عامل الاستكشاف (التعليم للجميع) وتحليل العوامل المؤكدة للتعرف على أبعاد وبناء صحة "الذكاء الروحي" و"الذكاء العاطفي"، و"القيم الشخصية"، و"سلوك المواطنـة التنظيمي". تستغل الهيكلية المعادلة النمذجة التقنية لاختبار الفرضيات السبعة التي اقترحت للإجابة عن الأسئلة البحثية. ووجدت الدراسة أثراً إيجابية كبيرة في الذكاء الروحي والذكاء العاطفي في سلوك المواطنـة التنظيمية، وتؤكد الدراسة أيضاً على وجود آثار مهمة ووسيلة للقيم الشخصية في العلاقات القائمة بين الذكاء الروحي، والذكاء العاطفي، وسلوك المواطنـة التنظيمي. وتوفر النتائج أثراً عديدة للنهوض بالنظريات الحالية، ولوضع السياسات ذات الصلة بها، والممارسات المهنية. وستكون هذه النتائج أيضاً مفيدة لإدارة الشركات في اتخاذ قرارات ذات علاقة باختيار الموظفين وتطوير السياسات الجديدة وتقييمها، فضلاً عن حاصل الذكاء، والذكاء العاطفي. يعتبر الذكاء الروحي معياراً للتحديد الفعال لموظفي البنك. ستفيد نتائج البحث في تطوير أبعاد الذكاء الروحي للموظفين عبر تصميم تدخلات ملائمة وتنفيذها في تنمية الموارد البشرية، وتسهم هذه الدراسة أيضاً بالإجابة عن جميع الأسئلة البحثية، وفي جميع المؤلفات المتعلقة بالذكاء الروحي والذكاء العاطفي من خلال النهوض بالمعارف المعاصرة لنظريات السلوك التنظيمي؛ مثلاً نظرية الأحداث العاطفية، ونظرية الذكاء المتعدد.

APPROVAL PAGE

The dissertation of Md. Aftab Anwar has been approved by the following:

AAhad M. Osman-Gani
Supervisor

Rodrigue Ancelot Harvey Fontaine
Co-supervisor

Rafikul Islam
Internal Examiner

Zainal Abidin Mohamed
External Examiner

Jauhairy Ali
External Examiner

Erry Yulian Triblas Adesta
Chairman

DECLARATION

I hereby declare that this dissertation is the result of my own investigations, except where otherwise stated. I also declare that it has not been previously or concurrently submitted as a whole for any other degrees at IIUM or other institutions.

Md. Aftab Anwar

Signature

Date

COPYRIGHT

INTERNATIONAL ISLAMIC UNIVERSITY MALAYSIA
DECLARATION OF COPYRIGHT AND AFFIRMATION
OF FAIR USE OF UNPUBLISHED RESEARCH

Copyright © 2016 by Md. Aftab Anwar. All rights reserved.

EFFECTS OF SPIRITUAL INTELLIGENCE AND EMOTIONAL
INTELLIGENCE ON ORGANIZATIONAL CITIZENSHIP
BEHAVIOR: A STUDY ON ISLAMIC BANKS IN MALAYSIA

No part of this unpublished research may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording or otherwise without prior written permission of the copyright holder except as provided below.

1. Any material contained in or derived from this unpublished research may only be used by others in their writing with due acknowledgement.
2. IIUM or its library will have the right to make and transmit copies (print or electronic) for institutional and academic purposes.
3. The IIUM library will have the right to make, store in a retrieval system and supply copies of this unpublished research if requested by other universities and research libraries.

Affirmed by Md. Aftab Anwar

.....
Signature

.....
Date

ACKNOWLEDGEMENTS

Alhamdulillah. All thanks and praises be unto the Almighty Allah for His Bounties, Mercies and Blessings showered on me, my entire family and my PhD journey. I sincerely extend my deep sense of gratitude to my supervisor, Professor Dr. AAhad M. Osman-Gani for the continuous guidance and sincere supports provided throughout the entire research process. I always pray that Almighty Allah bless him and his family. His contributions to the completion of this research with all personal and financial supports and his continuous encouragements helped me to achieve my objectives, which will be treasured throughout my life. My sincere thanks and appreciations to my co-supervisor Assistant Professor Dr. Rodrigue Ancelot Harvey Fontaine for his supports and guidance provided to me in this academic journey.

I owe a sense of honour and gratitude to my other lecturers at the Department of Business Administration, in the Kulliyah of Economics and Management Sciences (KENMS), particularly to those who thought me in the PhD programme. I also wish to single out one former IIUM lecturer, now with the North South University, Dhaka (Dr. Sabbir Rahman) for all his assistance provided to me to complete this thesis. I have benefitted immensely from his suggestions and instructions. May Allah's Blessings be showered on all of them.

I also wish to acknowledge the efforts of my PhD colleagues, Dr. Sakeeb Ferdous, Dr. Aseef Iqbal, Rezbin Nahar, and Dr. Fadi Fattah. I am also thankful to my friend Nabeel, Br. Hafiz, Br. Hadi, Br. Zaman, Br. Moyenul, Br. Faizul for their great supports. Also, worthy of mention is Dr. Rafiul Haque, Associate Professor of Jahangirnagar University, Bangladesh for extending his helping hands during my PhD journey. I whole-heartedly acknowledge his efforts in making this research a success. I may not be forgiven if I fail to mention Prof. Dr. Tofayel Ahmed, from Leading University who inspired me to seek admission in Malaysia. May Allah bless all of them.

This PhD journey would not have been possible without the love, support, sacrifice and understanding my wife, Mrs Roksana Zaman. She had endured many difficult and stressful moments in my five years of absence from home, and above all, in taking care of our child independently without complaints. I thank Allah for giving me this wonderful gift. To my daughter Zinath Aftab Subha, I thank you for being patient while sharing my stressful moments throughout my PhD journey.

I am wholeheartedly indebted to my parents for their efforts and contributions in making me what I am today. Special dedication to my father Anwar Hossain Bhuiyan who insisted on my completing the highest formal education and assisted me in all possible ways throughout my PhD journey. To my mother Mrs. Gule-Rana-Khan, may Allah shower His Mercy on you and grant you a happy and peaceful life with good health. I also extend my deepest appreciation to my sister-in-law Tiasha Kabez and my siblings (Brother Dr. Parvez Anwar and Sister Jerin Anwar) and all my family members for their love, compassion and prayers. I humbly and earnestly apologize to anyone who has a hand towards the success of this research, for not being able to mention their names individually. I pray that Almighty Allah bless all of them wherever they are.

TABLE OF CONTENTS

Abstract	ii
Abstract in Arabic	iii
Approval page	iv
Declaration	v
Copyright	vi
Acknowledgements	vii
Table of Contents	vii
List of Tables	xiii
List of Figures	xv
List of Abbreviations	xvii
CHAPTER ONE: INTRODUCTION	1
1.1 Introduction.....	1
1.2 Background of the Study	1
1.3 Research Problem	7
1.4 Research Questions.....	12
1.5 Research Objectives.....	13
1.6 The Scope of the Study.....	13
1.7 The Significance of the Study.....	15
1.8 Definition of the Terms	19
1.9 Organization of the Chapters	20
1.10 Summary of the Chapter.....	23
CHAPTER TWO: LITERATURE REVIEW	24
2.1 Introduction.....	24
2.2 An Overview of the Islamic Banking Industry in Malaysia	24
2.3 Theoretical Underpinnings	28
2.3.1 The Theory of Multiple Intelligences	29
2.3.2 Social Exchange Theory	32
2.3.3 Affective Events Theory	33
2.3.4 The Affect Theory of Social Exchange.....	36
2.3.5 Rokeach's Values Theory	37
2.4 Human Intelligence.....	39
2.5 Spiritual Intelligence.....	41
2.5.1 An Overview of Spiritual Intelligence	41
2.5.2 Spirituality and Spiritual Intelligence	43
2.5.3 Definitions of Spiritual Intelligence.....	44
2.5.4 Dimensions of Spiritual Intelligence.....	46
2.5.5 Religion and Spiritual Intelligence.....	52
2.5.6 Relationship between Spiritual Intelligence and Organizational Citizenship Behaviour	55
2.5.7 The Significance of Spiritual Intelligence in Business Organization	58
2.5.8 Measurements of Spiritual Intelligence	59

2.6 Emotional Intelligence.....	60
2.6.1 An Overview of Emotional Intelligence	60
2.6.2 Definitions of Emotional Intelligence.....	61
2.6.3 Dimensions of Emotional Intelligence.....	63
2.6.4 Emotional Intelligence and Workplace performance.....	69
2.6.5 Ability Versus Trait Based Emotional Intelligence Measures.....	70
2.6.6 Measurements of Emotional Intelligence	71
2.6.7 Emotional Intelligence and Organizational Citizenship Behaviour.....	75
2.7 Personal Values	82
2.7.1 An Overview of Personal Values.....	82
2.7.2 Definitions of Personal Values	83
2.7.3 Theories of Personal Values.....	84
2.7.4 Spiritual Intelligence, Emotional Intelligence and Personal Values	85
2.7.5 Personal Values and Behavioural Outcomes	88
2.7.6 Personal Values and Organizational Citizenship Behaviour	90
2.7.7 Measurements of Personal Values	91
2.8 Organizational Citizenship Behaviour.....	92
2.8.1 An Overview of OCB.....	92
2.8.2 Definitions of OCB	93
2.8.3 Dimensions of OCB	94
2.8.4 Antecedents of the Organizational Citizenship Behaviour	98
2.8.5 Effects of OCB on Organizational Performances	100
2.8.6 Personal Determinant versus Organizational Factors of OCB.....	103
2.8.7 OCB Studies in Malaysian Context	104
2.8.8 OCB in Workplace Context	109
2.8.9 Measurements of OCB.....	111
2.9 The Theoretical Framework	113
2.10 Hypotheses of Conjectural Associations among Constructs of Interest.....	116
2.10.1 Spiritual Intelligence (SI) and Organizational Citizenship Behaviour (OCB)	116
2.10.2 Emotional Intelligence (EI) and Organizational Citizenship Behaviour (OCB)	118
2.10.3 Spiritual Intelligence (SI) and Personal Values (PV)	120
2.10.4 Emotional Intelligence (EI) and Personal Values (PV)	121
2.10.5 Personal Values (PV) and Organizational Citizenship Behaviour (OCB)	123
2.10.6 The Mediating Role of Personal Values (PV)	124
2.11 Summary of the Chapter.....	127

CHAPTER THREE: RESEARCH METHODS 129

3.1 Introduction.....	129
3.2 Overview of the Research Method	129
3.3 Research Design	131
3.4 Research Methods.....	132
3.4.1 Study Population	132
3.4.2 Unit of Analysis	132
3.4.3 Sampling Design	133
3.4.4 Sampling Frame	134

3.4.5 Sampling Technique.....	134
3.4.6 Justification of the Sampling Technique.....	135
3.4.7 Determining the Sample Size.....	136
3.4.8 Instrumentation and Scaling.....	138
3.4.9 Variables and Measurements	139
3.4.10 Data Collection Techniques	146
3.5 Methods of Data Analyses.....	148
3.5.1 Descriptive Statistics.....	148
3.5.2 Reliability Analysis.....	149
3.5.3 Exploratory Factor Analysis (EFA)	149
3.5.4 Confirmatory Factor Analysis (CFA)	150
3.5.5 Structural Equation Modeling (SEM)	151
3.6 Pilot Study	152
3.6.1 Content Validity and Face Validity	153
3.6.2 The Respondents of the Pilot Study.....	154
3.6.3 Results of the Pilot Study.....	155
3.7 The Data Collection Procedure for the Main Study	155
3.8 The Analytical Procedure	157
3.8.1 Modeling Procedure.....	157
3.8.2 Evaluation of the Hypothesized Model.....	158
3.8.3 Bootstrapping Method.....	162
3.9 Summary of the Chapter.....	163

CHAPTER FOUR: DATA ANALYSIS AND PRESENTATION OF RESULTS.....	164
4.1 Introduction.....	164
4.2 Data Screening.....	164
4.2.1 Missing Data	165
4.2.2 Managing Inconsistent or Irrational Data	167
4.3 Response Rate.....	168
4.4 Data Transformation.....	169
4.5 Demographic Characteristics of Respondents	169
4.5.1 Gender	170
4.5.2 Age	170
4.5.3 Current Marital Status	171
4.5.4 Level of Employment.....	171
4.5.5 Primary Job Role.....	172
4.5.6 Highest level of Formal Education Attained.....	173
4.5.7 Total Working Experience	174
4.5.8 Length of Stay with Present Company.....	174
4.6 Descriptive Statistics	175
4.7 Normality and Outlier Assumptions.....	182
4.8 Exploratory Factor Analysis (EFA).....	183
4.8.1 Assumptions for Conducting EFA.....	184
4.8.2 EFA Test Results of the Research Constructs	184
4.8.3 Dimensions of Spiritual Intelligence (SI)	185
4.8.4 Dimensions of Emotional Intelligence (EI)	187
4.8.5 Dimensions of Personal Values (PV).....	189
4.8.6 Dimensions of Organizational Citizenship Behaviour (OCB).....	190

4.8.7 Reliability Analysis.....	193
4.8.8 Multicollinearity Analysis.....	194
4.9 Confirmatory Factor Analysis (CFA).....	195
4.9.1 Assessing the Measurement of Spiritual Intelligence (SI) Construct.....	196
4.9.2 Assessing the Measurement of Emotional Intelligence (EI) Construct.....	200
4.9.3 Assessing the Measurement of Personal Values (PV) Construct.....	203
4.9.4 Assessing the Measurement Model for Organizational Citizenship Behaviour (OCB) Construct	207
4.9.5 Assessing the CFA of Overall Measurement Model.....	211
4.9.6 Unidimensionality	213
4.9.7 Validity Testing.....	214
4.9.8 Reliability Testing.....	216
4.9.9 The CFA Result Reporting	218
4.10 Structural Equation Modeling.....	222
4.10.1 Direct Relationships	223
4.10.2 Mediation Relationships	227
4.11 Hypotheses Testing.....	229
4.12 Testing Mediating Relationships	238
4.13 Summary Results of Hypotheses Tests	241
4.14 Control Variables.....	242
4.15 Summary of the Chapter.....	243

CHAPTER FIVE: CONCLUSIONS AND RECOMMENDATIONS 244

5.1 Introduction.....	244
5.2 Overview of the Study	244
5.3 Discussion of the Findings	246
5.3.1 Demographic Information.....	247
5.3.2 The Effects of Spiritual Intelligence on Organisational Citizenship Behaviour.....	248
5.3.3 The Effects of Emotional Intelligence on Organisational Citizenship Behaviour	249
5.3.4 The Effects of Spiritual Intelligence on Personal Values	251
5.3.5 The Effects of Emotional Intelligence on Personal Values	252
5.3.6 The Effects of Personal Values on Organisational Citizenship Behaviour.....	253
5.3.7 The Mediating Role of Personal Values Between the Relationship of Spiritual Intelligence and Organisational Citizenship Behaviour 255	
5.3.8 The Mediating Role of Personal Values Between the Relationship of Emotional Intelligence and Organisational Citizenship Behaviour.....	256
5.4 Implications of The Study	257
5.4.1 Theoretical Contributions	258
5.4.2 Implications for Professional Practice	262
5.5 Recommendations for Future Studies.....	265
5.6 Limitations of the Research	266
5.7 Summery of the Chapter.....	268

BIBLIOGRAPHY	270
APPENDIX A: SURVEY INSTRUMENT	310
APPENDIX B: LIST OF ISLAMIC BANKS	316
APPENDIX C: ASSESSMENTS OF NORMALITY	317
APPENDIX D: ASSESSMENTS OF OUTLIERS.....	321
APPENDIX E: FORWARDING LETTER.....	324

LIST OF TABLES

<u>Table No.</u>		<u>Page No.</u>
Table: 2.1	Numbers of employees working in Islamic banks in Malaysia	26
Table: 2.2	Spiritual Intelligence (SQ) Skills	48
Table: 2.3	Spiritual Intelligence Dimensions studied by the researchers	51
Table: 2.4	Recent studies on OCB in Malaysian Context	108
Table: 3.1	Banking System: Network and Workforce	138
Table: 3.2	Constructs and Total Number of Scale Items Used	140
Table: 3.3	Overall Reliability Test Result	155
Table: 3.4	Variable wise Reliability Test Result	155
Table: 3.5	Summary of Goodness-of-Fit Indices	159
Table: 4.1	Gender	170
Table: 4.2	Age	171
Table: 4.3	Marital Status	171
Table: 4.4	Level of Employment	172
Table: 4.5	Primary Job Role	173
Table: 4.6	Highest Level of Formal Education Attained	173
Table: 4.7	Total Working Experience	174
Table: 4.8	Length of Stay with the Present Institution	175
Table: 4.9	Descriptive Statistics	176
Table: 4.10	Factor Analysis of Spiritual Intelligence (SI)	186
Table: 4.11	Factor Analysis of Emotional Intelligence (EI)	188

Table: 4.12	Factor Analysis of Personal Values (PV)	190
Table: 4.13	Factor Analysis of Organizational Citizenship Behavior (OCB)	192
Table: 4.14	Reliability Statistics of the Main study	194
Table: 4.15	Multicollonearity of Test Statistics	195
Table: 4.16	CFA Result of Spiritual Intelligence (SI)	199
Table: 4.17	Model Fit of Spiritual Intelligence (SI)	200
Table: 4.18	CFA Result of Emotional Intelligence (EI)	202
Table: 4.19	Model Fit of Emotional Intelligence (EI)	203
Table: 4.20	CFA Result of Personal Values (PV)	206
Table: 4.21	Model Fit of Personal Values (PV)	207
Table: 4.22	CFA Result of Organizational Citizenship Behavior (OCB)	210
Table: 4.23	Model Fit of Organizational Citizenship Behavior (OCB)	211
Table: 4.24	CFA Result of Overall Model	213
Table: 4.25	Correlations among Variables: (Default model)	216
Table: 4.26	The Summary of CFA Results of Research Constructs	219
Table: 4.27	CFA Results for the Measurement Models	221
Table: 4.28	Tests of Mediating Effects	228
Table: 4.29	Hypothesis Testing (Maximum Likelihood Estimates)	229
Table: 4.30	Standardized Regression Weights: (Default Mood)	230
Table: 4.31	Summary of the Results	242

LIST OF FIGURES

<u>Table No.</u>		<u>Page No.</u>
Figure: 1.1	The outline of the Study	21
Figure: 2.1	Islamic Banking System (pre-tax profit)	25
Figure: 2.2	Islamic Banking System (total assets)	27
Figure: 2.3	Schematic Representation of Theory of Multiple Intelligences	30
Figure: 2.4	Domains of Multiple Intelligences	31
Figure: 2.5	Model of Affective Events Theory	34
Figure: 2.6	Values-Attitude-Behavior Model	48
Figure: 2.7	Dimensions of Spiritual Intelligence	50
Figure: 2.8	Dimensions of Emotional Intelligence	68
Figure: 2.9	Dimensions of Organizational Citizenship Behaviour	96
Figure: 2.10	Research Model	114
Figure: 2.11	The Detailed Research Model	115
Figure: 2.12	The Proposed Model with Hypothesized Relationship	116
Figure: 3.1	Sampling Design Process	134
Figure: 4.1	Default Measurement Model of Spiritual Intelligence (SI)	197
Figure: 4.2	Modified Measurement Model of Spiritual Intelligence (SI)	198
Figure: 4.3	Default Measurement Model of Emotional Intelligence (EI)	201
Figure: 4.4	Default Measurement Model of Personal Values (PV)	204
Figure: 4.5	Modified Measurement Model of Personal Values (PV)	205
Figure: 4.6	Default Measurement Model of Organizational	

	Citizenship Behavior (OCB)	208
Figure: 4.7	Modified Measurement Model of Organizational Citizenship Behavior (OCB)	209
Figure: 4.8	Overall measurement Model	212
Figure: 4.9	The Formula for Calculation of CR and AVE	218
Figure: 4.10	The Schematic View of Structural Model	222
Figure: 4.11	Fit Index and Parameter Estimates of the Hypothesized Model	225

LIST OF ABBREVIATIONS

AET	Affective Events Theory
AGFI	Adjusted Goodness-of-fit
AMOS	Analysis of Moment Structure
AVE	Average Variance Extracted
BNM	Bank Negara Malaysia
CR	Composite Reliability
C.R.	Critical Ratio
CET	Critical Existential Thinking
CFA	Confirmatory Factor Analysis
CFI	Comparative Fit Index
ChiSq	Chi-Square
ChiSq/df	Normed Chi-Square (with degree of freedom)
CR	Composite Reliability
CSE	Conscious State Expansion
DF	Degree of Freedom
EFA	Exploratory Factor Analysis
EI	Emotional Intelligence
et al.	(<i>et alia</i>): and others
etc	(<i>et cetera</i>): and so forth
GFI	Goodness-of-fit Index
ISIS	Integrated Spiritual Intelligence Scale
MI	Multiple Intelligence
MIFC	Malaysia International Islamic Financial Center
ML	Maximum Likelihood
MLE	Maximum Likelihood Estimation
MSCEIT	Mayer-Salovey-Caruso Emotional Intelligence Test
NFI	Normed Fit Index
OCB	Organizational Citizenship Behavior
OEA	Others; Emotion Appraisal
OLS	Ordinary Least Square
PCA	Principle Component Analysis
PMP	Personal Meaning Production
PV	Personal Values
RMSEA	Root Mean Square Error of Approximation
ROE	Regulation of Emotion
RVS	Rokeach Value Survey
SD	Standard Deviation
SE	Standard Error
SEM	Structural Equation Modeling
SET	Social Exchange Theory
SI	Spiritual Intelligence
SIS	Spiritual Intelligence Scale
SISRI	Spiritual Intelligence Self-Report Inventory
SMC	Squared Multiple Correlations

SOE	Self Emotion Appraisal
SPSS	Statistical Package for Social Science
TA	Transcendental Awareness
TLI	Tuker-Lewis Index
UOE	Use of Emotion
WLS	Weighted Least Square

CHAPTER ONE

INTRODUCTION

1.1 INTRODUCTION

The main purpose of this research is to examine the effects of spiritual intelligence and emotional intelligence on organizational citizenship behaviour of employees working in Islamic banks operating in Malaysia. The first chapter provides an introduction to the research background, identifies the research problem pertinent to the study, specifies the research questions, research objectives and the scope of the study. Beside these, a brief description is presented on the significance of this research. To vividly and clearly demonstrate the thesis outline, the author presents a flow chart at the end of the chapter, which contains the subsections of this thesis.

1.2 BACKGROUND OF THE STUDY

Research on organisational citizenship behaviour (OCB) has been conducted extensively over the past few decades both in professional and academic management literature (Dash & Pradhan, 2014; Khan & Rashid, 2012; Mansor, Darus & Dali, 2013; Organ, 1988, 1994; Organ, Podsakoff & MacKenzie, 2006; Smith, Organ & Near, 1983; Sonboli, & Noruzi, 2012). However, scholars and business managers are now focusing on identifying the significance of OCB as a prerequisite for organisational success and growth (Bolino & Turnley, 2003; Kandlousi, Ali & Abdollahi, 2010). Previous researchers described the concept of OCB by using different terminologies. Sometimes the concept was called ‘discretionary work behaviour’ or ‘extra-role behaviour’, ‘pro-social organisational behaviour’ and

‘contextual performance’ (Katz & Khan, 1966; Organ, 1988; Podsakoff & MacKenzie, 2006). Dyne, Graham and Dienesch (1994) mentioned that OCB is related to employees’ high performance in their work environment. The interactions of employees with their peer groups in daily activities play a significant role for achieving organisational goals. However, OCB is still not included in employees’ job description, but such behaviour has been found to have an incredible impact on organisational efficiency and effectiveness (Organ et al., 2006). Katz and Khan (1966) termed OCB as ‘supra-role-behaviour’ and stated that without imposing supra-role-behaviour employees may not be helpful to their co-workers, and may sometimes be intolerable to the temporary impositions from the authority. Moorman (1991) identified OCB as a non-traditional job behaviour that is not discretionary, and not linked with the formal organisational compensation system, but had influence on organisational effectiveness (Organ, 1988). Alizadeh, Darvishi, Nazari and Emami (2012) claimed that organisational effectiveness is a major concern for organisational behaviour researchers. In this regard, it is necessary to identify the various aspects of organisational behaviour to improve organisational performances. Therefore, Katz and Kahn (1978) highlighted that OCB is a major issue for the organisation and has profound contributions toward developing competitive advantages for business organisations (Nemeth & Staw, 1989).

Organisational behaviour scholars have become more concerned with improving performance through shaping employee behaviour by focusing on OCB, which is a significant aspect of organisational behaviour (Bukhari, 2008; Maharani, Troena, & Noermijati, 2013; Mansor et al., 2013). Under these circumstances, the current study focuses on identifying the major issues that could potentially enhance organisational performance.

Another reason for selecting OCB as a research topic is due to its significant relationship with employee performance. There are still some aspects of OCB that have not been discovered, especially in the area of Islamic banking and finance (Bukhari, 2008; Podsakoff & MacKenzie, 1997; Emmerik & Euwema, 2007; Miao, 2011). A better exploration of OCB can help bank managers and corporate leaders to develop more effective organisations in today's competitive business environment.

Many researchers have identified different workplace and human factors as the basic components for developing OCB. They have identified several factors that can enhance OCB such as, (1) job satisfaction (Organ & Ryan, 1995; Mohammad, Habib, & Alias, 2011), (2) transformational and supportive leadership style (Podsakoff et al., 2000; Lo, Ramayah, & Hui, 2006; Thohirah, 2011; Lian & Tui, 2012), (3) interesting work and job involvement (Diefendorff, Hughes & Kamin, 2001), (4) organisational support (Lambert, 2000), (5) trust, organisational justice, psychological contract fulfilment (Abdullah & Nasurudin, 2008; Hassan & Noor, 2008; Khan & Rashid, 2012; Othman et al., 2005), (6) employee demographic characteristics (Moorman, 1991; Turnley et al., 2003), and (7) motivation (Christie, Jordan & Lawrence, 2007; Mansor et al., 2013), etc. However, very few studies have sought to investigate the influence of human intelligences on OCB of bank employees and no researches empirically studied the employees of Islamic banks from this perspective.

Intelligence has been identified as one of the most controversial concepts in human psychology (Valsiner & Leung, 1994). Some researchers mentioned that human intelligence is rooted in genetic code controlled by the brain (Selman et al., 2005). Although human intelligence was an important issue in the field of psychology for decades, organisational behaviour researchers are also concentrating on developing, monitoring and controlling these intelligences for organisational

performance improvement (Emmons, 1999; Gardner, 1983, 1998; Salovey & Mayer, 1990; Vaughan, 2002; Wolman, 2001; Zohar & Marshall, 2000a). Researchers have suggested that building positive connections with human intelligence in the workplace is imperative (Green et al., 2005; Weller, 1999). Among various aspects of human intelligence, this research focuses on spiritual intelligence and emotional intelligence as they have not been well studied in relation to OCB.

Emotional intelligence (EI) was initially studied by Salovey and Mayer (1990), and the foundation of emotional intelligence is rooted in Gardner's (1983) 'interpersonal' and 'intrapersonal' intelligence. Later, Mayer and Salovey (1997) termed it 'emotional intelligence', and described as the mental processes involved in recognition, utilisation, understanding, and management of one's own and others' emotional states to solve problems and regulate behaviour. The emotional states of an individual play a great role for regulating his or her behaviour both in the workplace and society. Emotions are essential aspects of human actions that generate different types of stimulus in different situations. They can directly prompt particular behaviours as well as indirectly affect behaviour by its effects on physiological, cognitive/affective, or social processes.

For this reason, emotional intelligence has become one of the most important issues in the field of organisational sciences (Murphy, 2006). The construct of emotional intelligence is still the focus of substantial controversy (Christie, Jordan & Lawrence, 2007). Daniel Goleman (1998) mentioned the impact of emotions in the workplace environment in his bestselling book '*Working with the emotional intelligence*'. Goleman (1998) proposed an emotional competence framework which is "a learned capability based on emotional intelligence that result in outstanding performance at work"(p.24). Barsade and Gibson (2007) claimed that emotional

“affect is inherent to the human experience, and thus inherent to any situation in which human interact with each other and their environments, including at work” (p.51). In light of the above discussion, it is clear that the necessity of emotion in every phase of academic studies is profound (Fer, 2004; Suwannaset, 2010). For this reason, the field of organisational behaviour has included the contributions of emotional intelligence in the workplace with the changing nature of today’s global business environment.

However, Gardner (1998) identified an additional intelligence and named it ‘existential intelligence’, which was later termed spiritual intelligence by some prominent researchers (Emmons, 1999; Vaughan, 2002; Zohar & Marshall, 2000). According to Gardner (1998), individuals possess ‘existential intelligence’ to contemplate their existence on earth and find reasons for life and actions. Like emotional intelligence, researchers found that spiritual intelligence (SI) has a significant effects on human actions and behaviours while people are in a process of interacting with each other (Amram, 2009; King, 2008; MacHovec, 2002; Mark, 2004; Nasel, 2004; Schuller, 2005; Sisk & Torrance 2001; Wolman, 2001; Zohar & Marshall, 2000).

Many researchers have highlighted the importance of spirituality and spiritual intelligence in business organisations (Amram & Dryer, 2007; Bosch, 2009; Chin et al., 2011; Doostar, Chegini & Pourabbasi, 2012; George, 2006; Osman-Gani & Sarif, 2011). Spiritual intelligence enables an individual with high capacity to adapt well to the workplace and initiates new ideas for organisations and in their own lives (Doostar et al., 2012). Faribors, Fatemeh and Hamidreza (2010) claimed that spiritually intelligent employees are happy enough to do their work properly. Moreover, when people feel happy and satisfied in their work environments, they can be more

productive not only to the organisations but also in dealing with their co-workers. Therefore, it is necessary to investigate the influence of both spiritual intelligence and emotional intelligence from the perspective of organisational citizenship behaviour. This study selected the Malaysian Islamic banking sector to identify the effects of employees' spiritual intelligence and emotional intelligence on organisational citizenship behaviour.

The Islamic banking sector is growing rapidly providing enormous opportunities for employment. The Islamic banking industry requires quality services for its customers in response to other conventional banking offerings. For this reason, it is necessary to develop better human resources who can manage customers with patience and competence. Being one of the most dynamic economies of South East Asia, the Malaysian Islamic banking industry needs to be more efficient and competitive compared to other Islamic banks around the world (Khosravi et al., 2011). They have the opportunity of representing Islamic banking not only in Islamic countries but also in other non-Muslim nations. Islamic banking has been playing a great role for providing effective customer services. Hence, employees are required to complete their basic tasks with proper skills and abilities. Emotional and spiritual capabilities can be used to enhance a person's productivity in this particular field. Employees' emotional and spiritual experiences enhance their mental and psychological capabilities to adapt with different situations while they are engaged in particular service related activities. Hence, by improving employee's emotional and spiritual intelligence through tracking variables that determine the employees' satisfaction, values and performance can help Islamic banks in Malaysia become more efficient and effective. Therefore, it is necessary to identify the effects of employee