Faculty of Cognitive Sciences and Human Development

The Effects of Emotional Intelligence on Digital Competency and Organizational Readiness for Change as a Mediating Factor in Sarawak Civil Service, Malaysia

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DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Malaysia Sarawak. Except where due acknowledgements have been made, the work is that of the author alone. The thesis has not been accepted for any degree and is not concurrently submitted in candidature of any other degree.

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ABSTRACT

This study aimed to investigate the effects of emotional intelligence on digital competency and organizational readiness for change as mediating factors in Sarawak Civil Service, Malaysia. This study is important to understand current practices and issues in emotional intelligence, organizational readiness for change and the need for digital competency. This survey design study uses quantitative methods to investigate the aspects in detail. This study involved Sarawak civil service from grade 29 to 54 and the related implemented scheme of service, mainly located in Kuching, Sarawak. A stratified sampling approach was used in selecting respondents for the study. Three main factors were involved: emotional intelligence as an independent variable, organizational readiness as mediating factor, and digital competency as the dependent variable. The Structural Equation Modelling (SEM) approach is used to test and develop the model. This study involves five types of analysis: descriptive analysis, measurement model, pathway analysis, regression analysis and mediation test using the SEM approach. The study's results showed a significant effect among the constructs: emotional intelligence (perception of emotion, managing emotion, utilizing emotion and social skills) on digital competency and organizational readiness for change was partially mediated. In conclusion, emotional intelligence is significant for measuring the effect on digital competency levels. An organization's readiness for change is vital to understanding the preparedness that suits the organization's needs and meets the demand of the industry and the people.

Keywords: Emotional Intelligence, Organization Readiness to Change, Digital competency Sarawak Civil Servant

Kesan Kepintaran Emosi Terhadap Kompetensi Digital dan Kesediaan Perubahan Organisasi Sebagai faktor Mediator di dalam Perkhidmatan Awam Negeri Sarawak, Malaysia

ABSTRAK

Kajian ini bertujuan untuk mengkaji kesan kecerdasan emosi terhadap kompetensi digital dan kesediaan organisasi untuk perubahan sebagai faktor pengantara dalam Perkhidmatan Awam Sarawak, Malaysia. Kajian ini adalah penting untuk memahami isu dan amalan semasa didalam kecerdasan emosi, kesediaan organisasi untuk perubahan dan keperluan digital kompetensi. Reka bentuk kajian ini menggunakan kaedah kuantitatif untuk mengkaji faktor secara terperinci. Kajian ini melibatkan perkhidmatan awam negeri Sarawak, terutamanya terletak di Kuching, Sarawak dari gred 29 hingga 54 dan skim perkhidmatan yang berkaitan. Pendekatan persampelan berstrata telah diguna pakai dalam memilih responden untuk kajian. Terdapat tiga faktor utama yang terlibat: kecerdasan emosi sebagai pembolehubah bebas, kesediaan organisasi sebagai faktor pengantara, dan kompetansi digital sebagai pembolehubah bersandar. Kaedah Structural Equation Modeling (SEM) digunakan untuk memeriksa dan membangun model Kajian ini merangkumi lima jenis analisis yang terlibat iaitu analisis deskriptif, model pengukuran, analisis "Pathway", analisis regresi dan ujian pengantaraan. Hasil daripada kajian menunjukkan bahawa terdapat kesan yang signifikan di antara konstruk iaitu: kecerdasan emosi (persepsi emosi, mengurus emosi, memanfaatkan emosi dan kemahiran sosial) terhadap kompetensi digital dan kesediaan organisasi untuk perubahan sebagai pengantaraan. Kesimpulannya, kecerdasan emosi adalah penting untuk mengukur kesan ke atas tahap kompetensi digital dan kesediaan organisasi untuk perubahan adalah penting

untuk memahami kesediaan dan keperluan organisasi bagi memenuhi permintaan daripada

industri dan rakyat.

Kata kunci: *Kecerdasan Emosi, Kesediaan Perubahan Organisasi, Kompetensi digital,*
Penjawat Awam Sarawak

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CGS	Centre for Graduate Studies
EOC	Emotional Intelligence, Organizational Readiness for Change and Competency
SEM	Structural Equation Modelling
UNIMAS	Universiti Malaysia Sarawak

CHAPTER 1

INTRODUCTION

1.1 Introduction

Emotional intelligence studies evolved over the years and created interest for researchers to explore the needs of emotional intelligence studies and link them to today's issues and concerns. This study intended to explore emotional intelligence's effect on digital competency and organizational change readiness as mediating factors. This chapter aims to ensure a concrete problem statement that links to the study's objectives by identifying current issues and concerns in the emotional intelligence field of study. The robustness of the approach will give meaningful insight for the study to explore further the emotional intelligence study. Chapter 1 reviews the background of the study and the problem statement regarding the issues relevant to the study context. Next, the research questions are presented in tandem with the research objectives and hypotheses. This chapter also explained the significance of the study, limitations, and definitions of key terms. The chapter ends with a summary.

1.2 Background of Study

The COVID-19 pandemic profoundly altered global financial crises and the social, political, and technical landscape. Due to the negative impact, Malaysia's economic growth decreased by 5.6 percent and witnessed a wide-based dip in economic activities. As a result of this downturn, export in Malaysia dropped by 24.2 percent, and unemployment dramatically increased by 4.3 percent in 2020 (Economic Planning Unit, 2021).

To mitigate the impact of COVID-19, The Government of Malaysia has actively and carefully devised precise plans to reduce the pandemic's impact. Twelve Malaysia Plan as the Bigger Umbrella of COVID-19 exit strategies will allow the government to successfully deliver Malaysia Aspirations on time. The other agenda anchors to the Twelve Malaysia Plan are Sustainable Development Goal, Shared Prosperity Vision 2030 and Post Covid-19 Development Strategy (Economic Planning Unit, 2021).

The main pillars in the government agendas are boosting economic activities, improving well-being, social services, basic infrastructure, renewable energy, digital Transformation, human capital development, and strengthening public service delivery (Economic Planning Unit, 2021).

Civil servants are vital in delivering and implementing government strategies in public service. Thus, the demand for highly competent civil servants is significantly crucial at this juncture. In this regard, emotional, social, and technical competencies and other related factors are essential to ensure the government interface meets the public's and government's demands (Economic Planning Unit, 2021).

Competency is defined as a group of behavioural arrays that the urgent necessities to carry to a position to achieve its job and roles with competence (Woodruffe, 1993). Competency is also defined as behavioural facets covering emotional, social, core, and functions necessary to perform a specific job (Boyatzis, Rochford, & Cavanagh, 2017). Civil service competency is always questionable by many people due to operating in volatility, uncertainty, complex, and ambiguous environment (Supramaniam and Singaravelloo, 2021).

Malaysia's Government emphasizes excellent service delivery to the people, which focuses on developing infrastructure, wellbeing, education, socioeconomic and other areas. Civil service needs to be highly competent to spearhead these strategic actions. Hence, in Twelve Malaysia Plan, Four key policy enablers are introduced: developing future talent, accelerating technology adoption and innovation, enhancing connectivity and transport infrastructure, and strengthening public service (Economic Planning Unit, 2021).

Getting down to the nitty-gritty of Malaysian civil service, this policy enabler underpins all themes and other policy enablers in promoting the rakyat's well-being and ensuring Malaysia's long-term socio-economic development. The public sector will strengthen digitalization, citizen-centric decision-making, project implementation, and collaboration and coordination across the three government levels (Economic Planning Unit, 2021). The public sector will be enhanced further, emphasizing honesty and transparency in awareness of current gaps in skills, governance ecosystem, and project management. Priorities of the Twelfth Plan will include building a high-performing civil service, pushing a whole-of-government strategy, and improving budgeting and project management. The game-changer in assuring more efficient and effective public service delivery and optimizing existing resources will be transforming the public service through a whole-of-government strategy. It is critical to examine and streamline the structures and operations of ministries and agencies and guarantee that the roles and responsibilities of members of the administration and civil servants are clearly defined. Furthermore, strengthening the process for selecting influential leaders, improving recruiting professional and managerial officers, and speeding up digitalization would all help improve public service delivery (Economic Planning Unit, 2021).

Competency is critical in the context of Sarawak Civil Service as an indicator to measure success. Sarawak's civil service aspiration is to be a "World Class Civil Service." The Right Honorable Datuk Patinggi Dr Abang Haji Abdul Rahman Zohari, Sarawak Chief Minister, stated that civil servant is the central backbone of government machinery that important to delivering Sarawak Civil Service (SCS) Transformation agenda 10-20, which covers the development of SCS human capital development (Sarawak Multimedia Authority, 2017).

With the emergence of the digital economy agenda and the pandemic's impact, civil servants are entrusted to play a critical role in digitalization initiatives and leverage their digital competency (Economic Planning Unit, 2021). The impact of a pandemic, industrial revolution and economic shift creates a competitive market for Sarawak, not only in civil service (Sadovyy et al., 2021; Supramaniam and Singaravelloo, 2021). The broad issues are extracted in the Chief minister's speech concerning competitiveness by elevating technological competency and efficient human capital development. As cited in The Right Honorable Datuk Patinggi, Dr Abang Haji Abdul Rahman Zohari, Sarawak Chief Minister (Sarawak Multimedia Authority, 2017), stated that civil servant plays a key role as government interface in accomplishing digital economy agenda aspiration. Digital Competency is defined as functional competency that deals with digital ecosystems and oversees electrical infrastructures and service industries (Khan & Bhatti, 2017).

In addition to the keynote speech by the Chief Minister of Sarawak, he added that "civil servants are the government's support, and knowledge about the digital economy is also critical when civil servants explain it to the people at the grassroots level" (Sarawak Multimedia Authority, 2017). Therefore, the Civil Servant is significant as an agent in