Assessing the Mediating Effect of Organizational Climate in the Context of Malaysian Banking Industry

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Abstract - This study examined the mediating effect of organizational climate on the relationship between emotional intelligence and leader-member exchange on organizational citizenship behavior within the context of Malaysian banking industry. The study began by assessing the links that exist between emotional intelligence, leader-member exchange, and organizational citizenship behavior in terms of conceptual theory, context and measurement. The context selected for this study refers to the commercial banking industry of Malaysia. The reason for selecting this particular industry is because it involves the quality effort of developing leader-member exchange relationship among workers. By looking into the employees’ citizenship behavior, the outcome of this study can be used to improve job commitments and work climate of employees. A successful organizational climate has to consider the leader-member exchange approach so as to increase employees’ commitment, their mental ability, and employees’ citizenship behavior. In meeting the research objectives, both survey and systematic analysis methods were employed. The relationships between the variables were examined using IBM Statistical Package for Social Sciences (SPSS) software Version 24, whereas the mediation analysis was determined using SMART PLS-3. This study gathered 384 usable data via survey. The study findings revealed that emotional intelligence and leader-member exchange had a positive relationship on organizational citizenship behavior, while the hypotheses are positively supported, directly and indirectly (the impression of partial mediation) with all 12 hypotheses revealing positive and high test for all constructs with significant levels. The study outcomes pave the path for future researchers to further analyze the recommended variables, especially when organization functions and performances are closely associated to evaluating employee’s emotional intelligence, employee’s exchange relationships and employee’s commitment toward organizational citizenship behavior.

Keywords: Organizational Climate, Organizational Commitment, Emotional Intelligence, Leader-Member Exchange, Organizational Citizenship Behavior, Malaysia Commercial Banking Industry

1. Introduction

Organizational climate is a very widespread area for research in the fields of industrial and organizational psychology that makes humans distinct from others. Organizational climate depicts one’s perception of the work climate to which they belong to (Subramani et al., 2015) as cited in (Vasudevan et al., 2018). Employees’ understanding and behavior within an organization are shaped by the organizational work climate. In this study, organizational climate has a mediating effect in influencing one’s citizenship behavior within the
commercial banking industry. Organizational citizenship behavior is defined as employees voluntarily contributing their commitment through better strategic planning, better recruitment of employees, development of business processes, proper allocation of resources and good interpersonal communication among group members (Anwar & Osman-Gani, 2015; Au & Ahmed, 2014; Podsakoff & MacKenzie, 1997). In enhancing the workplace environment, it is without doubt that organizational citizenship behavior needs to be given full consideration. When this is allowed to occur within the banking industry, undeniably, the management team would be able to employ employees with adequate skills and qualities, who can then assist the organization to achieve the organizational objectives with the highest effectiveness (Antony, 2013). In support of this statement, researchers have observed that in the Islamic banking sector, for example, employees’ organizational citizenship behavior is given emphasis. Thus, the employees’ positive behavior can aid the organization to function more effectively and efficiently. Employees also adopt a formal job attitude by applying the moral values and the required behavior proposed by the organization (Mohammad, Quoquab, Nik Abed Rahman, & Idris, 2015). Since the past three decades, studies concerning organizational contexts have focused on organizational citizenship behavior (Patterson et al., 2005) and appear more rampant for the banking domain because organizational citizenship behavior in this sector has a crucial role in contributing to the economic growth or expansion of most nations, particularly in the western context (Sufian & Habibullah, 2010; Zampetakis, 2011).

Yadav and Rangnekar (2015) asserted that managers should support their employees in accomplishing organizational citizenship behavior. This is achieved by identifying the qualities amidst the employees and by training them to adapt to high-demand setups that are most conspicuous in the banking industry; a context that demands its employees to express regularized managerial controls and checks. This observation was endorsed by Sofiah et al. (2014), who highlighted that organizational citizenship behavior is the most desired behavior across all institutions. At the individual level, good organizational citizenship behavior contributes to the organization’s effectiveness that can be harnessed via work dynamics (e.g. individuals working as a team) and displayed by bank employees. Employees who develop the right attitude (commitment) may possess the right behavior (citizenship behavior) to work in the right organizational climate, which also helps them to build on their commitment level. Employing all of these together leads to the well-being of the organization (Permarupan et al., 2013). This implies that an organization needs to reform the working climate by encouraging its employees to contribute to the success of the organization, thus creating a more conducive working environment. Katsaros and Nicolaidis (2012) reported that workers’ commitment is tested mainly on the workers’ understanding of the organization’s commitment (increase in score for high commitment but not for low commitment in organizations). A better working climate presence was detected based on the supervisory behavior (Mumcu et al., 2016). This contributed to the employees’ favorable desire to obtain a positive outcome of the organization involved. Negative outcomes were developed by employees if the leaders failed to contribute positive attitudes. Additionally, the leader-member exchange construct (LMX) has a major role in contributing positively to organizational climate and employees’ organizational citizenship behavior. Employees are encouraged to contribute more equally towards the work climate. Their shared perceptions involve the methods and practices applied in organizations to establish higher quality exchanges with other followers in gaining a better working climate (Mumcu et al., 2016). This greatly affects the employees’ citizenship behavior, which can ultimately benefit organizations. Past studies have omitted how the mediating effect of organizational climate can affect one’s emotional intelligence and how leader-member exchange can influence the
relationship of employees in organizational citizenship behavior. Therefore, this present study bridges the gap by empirically demonstrating that organizational citizenship behavior is one of the contributing behaviors that increase organizational effectiveness. As such, organizational citizenship behavior is treated as an outcome variable in this study, mainly because it has been gaining widespread attention from the banking industry, which is also a service industry that is a major contributor to the Malaysian economy progress.

This study assessed the mediating effect of organizational climate on the relationship between emotional intelligence and leader-member exchange in organizational citizenship behavior within the Malaysian commercial banking industry. Based on the conceptual framework derived from the objectives, a total of 12 research questions have been formulated for this study. Next, this paper continues with literature review, methodology, presentation and discussion of the findings, and lastly, the concluding remarks.

2. Literature Review

The commercial banking industry in Malaysia plays a significant role in the nation’s financial stability. As the leading group of financial players, these banks engage in a full range of banking services; serving as the main providers of funds for the nation (Kamil & Nasurdin, 2016), as noted in the governance of the Central Bank or Investment Company of Malaysia. Commercial banks in Malaysia are the main mechanism in the banking industry that is licensed to provide financial services under the Banking and Financial Institutions Act 1989 (BAFIA) of Bank Negara Malaysia (BNM). Commercial banks facilitate the nation’s economic development, which may at times be overwhelmed by economic uncertainties. Commercial banks need to adhere to financial regulations imposed by the government, while catering to the public’s expectations by providing greater customer service and facilities. They are the agents that help the nation to achieve a competitive edge and to improve its economic performance. Hence, the Malaysian banking industry has a pivotal role in providing investment possibilities and loans for a range of businesses. Gholami et al. (2013) observed that emotional intelligence significantly influence organizational citizenship behavior in the banking industry of the Western context. The social intelligence theory describes social intelligence as a facet of emotional intelligence (Mayer & Salovey, 1997) that involves one’s capacity to determine one’s own emotions, as well as the emotions and feelings of the others. In this regard, when managers of organizations develop their emotional intelligence, it enhances their relationship with their employees; these managers learn to get along well with others and consequently, cooperate with their subordinates and others more effectively (Eketu & Edeh, 2015). Goleman (2006) used the social intelligence theory to indicate that social intelligence is one of the best determinants of one’s success and improvement in their work responsibilities. The social intelligence theory connects employees to organizational citizenship behavior within the banking industry (Cheung, 2013; Chelagat et al., 2015).

Liden and Maslyn (1998) defined leader-member exchange as “a high-quality relationship characterized by dyad members possessing strong mutual affection based on interpersonal attraction, expressing public support for the goals of the other member, and perceiving professional respect for one another”. Within the context of leader-member exchange, work-related stress for both the superior and the subordinates can lead to many repercussions to either or both parties. Thus, subordinates with low quality leader-member exchange relationship would gain less time and interest from their supervisors. It is unfortunate that
work-related stress, which leads to dissatisfaction, is caused by top level supervisory control (Bitmis & Ergeneli, 2013). Yukl (2012) explained that the leader-member exchange theory is used to understand how interpersonal relationships between superiors and subordinates are developed. Observing how the leader-member exchange theory has been applied over the past 25 years in studying the supervisor-subordinate relationships, Michael (2014) emphasized that the high-quality relationship that supervisors share with their subordinates was characterized by an exchange of quality resources (information, support, trust, rewards and effort), while supervisors with low-quality relationships with subordinates were characterized by the absence of such quality resource exchanges. The literature (see Bolino & Turnley, 2009 as cited in Huang et al., 2015; Lian et al., 2014) has attempted to explain the quality of the leader-member exchange relationship via leader-member exchange theory. The quality of supervisor-subordinate relationships, when assessed using leader-member exchange theory, states that the leader-member exchange relationship generates greater organizational commitment. As such, this present study focused on the quality of the leader-member exchange theory to determine its relation with the positive outcomes of leaders, members, teams, organizations and the citizenship behavior of the followers. Duffy et al., (2012) discovered that employees with lower quality of leader-member exchange relationships felt bitter and were de-motivated due to the indifferent treatment given by their supervisors, while employees with higher quality of leader-member exchange relationships appeared to be otherwise (Bolino & Turnley, 2009 as cited in Huang et al., 2015). Lian et al. (2014) noted that in some organizations, supervisors were always in control; they held the power over their subordinates and as a result of this, some followers may want to take revenge on their supervisors due to some unpleasant experiences. In addressing such issues, employees need to focus more on the LMX relationship so as to overcome negative organizational behaviors (Liu, Lin, & Hu, 2013). This can help to arrest the situation before it is too late.

In totality, the outcome can help to enhance the working environment across service organizations. Batool (2013) asserted that in the banking context, bankers must be capable of displaying organizational citizenship behavior while working with their employees and customers. The bank administration has to have high value organizational citizenship behavior among its employees. By increasing organizational citizenship behavior among the employees, other issues encompassing organizational commitment and organizational work climate become the fundamental for many, if not all organizations would develop the company profile so as to achieve good changes. This means; the human resource management should concentrate on developing organizational commitment and good organizational climate in hiring and retaining of committed workers in an organization. Organizational climate is rendered by the employer due to strong support and comfort of its employees, while organizational commitment can significantly affect employees (Ghasemi & Keshavarzi, 2014). When employees obtain an optimistic intention (in the conscious desire of being suitable), they also find the direction to do something favorably for the company hence, the transmission of the employees’ commitment to the job itself, then to the human resources, and finally, to the organization. Ahmadizadeh et al., (2012) indicated that organizational climate positively influenced employees’ organizational citizenship behavior in the banking sector. This outcome was confirmed by Hajirasouliha et al. (2014). Similar findings were reported by Pourkiani et al. (2014), who found that the mediating effects of organizational climate and organizational commitment were statistically significant on organizational citizenship behavior. Likewise, this present study also observed the significant mediating effect of organizational climate on organizational citizenship behavior. This finding bridges
the gap that the dimensions listed by Patterson et al., (2005) have been neglected by the banking sector.

2.1. Framework Development

Figure 1 illustrates the proposed research model for this study. The overall review of the related literature and the theoretical framework specified for this study are portrayed in the conceptual framework. As explained in the above sections, a systematic analysis of various concepts is embedded into the conceptual framework. A thorough review was performed on the mediating effect of organizational climate on the relationship between emotional intelligence and leader-member exchange on organizational citizenship behavior.

Social intelligence can influence the employees’ perception of the social work climate, apart from affecting their behavioral skills, social skills and their cognitive ability or capability for individual interactions within an organization (Howe, 2017). Social intelligence has a crucial role for promoting the social understanding of others (Aydin, Koc & Kaya 2017). Yahyazadeh-Jelodar and Lotfi-Goodarzi (2012) and Nikoopour and Esfandiari (2017) asserted that social intelligence is closely connected to the social aspects of an organization, such as working climate, besides establishing efficient relations within an organization, thus leading to a more efficient set of employees and greater productivity.

From the organizational perspective, the social exchange theory indicates that involvement of people is based on informal commitment and trust between two parties (Blau, 1964). Hence, knowledge sharing behavior is a form of extra-role behavior (beyond job description), which is known as good organizational citizenship behavioral. This is manifested as an occurrence where an employee is willing to share knowledge with the co-workers voluntarily. Such voluntary behavior does not beget them any financial reward or does it even guarantee that the employee would gain anything from the coworkers (Borman & Motowidlo, 1993), but it is something that is practiced due to good organizational behavior.

The workplace is a platform where employees interact with other employees and their superiors. More time is taken for employees to be able to display more commitment toward their work. Work commitment is crucial for both parties, but it seems to be most crucial for the success of an organization because internal supervision enhances work commitment and work commitment leads to the demonstration of organizational values, thus better work performance. There are different types of work commitment, some of which can be identified.
by certain measures while some cannot be easily detected because they are not related to their respective work performance. Becker and Kernan (2003) argued that there are different areas of commitment for employees to display their work commitment based on their levels of efforts and commitment. Regardless of recognition, organizations aspire to have work commitment from their employees; hence organizations target these individuals or groups. The differentiation of the targets and the basis of this commitment are particularly vital to comprehend the relationship between performance and commitment. Pinder (1998) asserted that the commitment theory is in demand by practitioners and academicians due to its ability to detect the level of employees’ work commitment. Shore, Barksdale and Shore (1995) emphasized that the commitment theory benefits both employers and employees. Feather and Rauter (2004 as cited in Zayas-Ortiz et al., 2015) emphasized that from the organization’s perspective, organizational commitment has a positive correlation with organizational citizenship behavior. Thus, the theory of commitment is appropriate for this present study since the theory enables the assessment of the workers’ level of commitment. This theory aids organizations to evaluate their workers more effectively so as to better gauge their level of commitment. The highly committed their employees are, the better the organization’s effectiveness will increase and the better their employees’ involvement in the organization. This displays the employees’ ability to work hard in meeting organizational goals (Arthur, 1994; Bhatnagar, 2007).

In organizational citizenship behavior, the leader-member exchange relationship variable plays a vital role in transforming the organizational climate for its employees. Positive changes can induce workers to be more committed in their work tasks. This has been verified by Duong (2011), Chauhan et al., (2011), and Haritha and Subrahmanyam (2013), who agree that positive ideas and assessments of followers when tied in with higher caliber leader-member exchange can enhance organizational commitments, inflate job satisfactions, increase job performance, and enhance organizational climate. These outcomes influence the moral and attitude of employees who are more likely to work with dedication and cooperation, thus meeting organizational goals.

3. Methodology

3.1. Sampling Procedure
Purposive sampling was used in this study to attain the research objectives and hypotheses. A total of 670 questionnaires were distributed to non-supervisory staff of Malaysian commercial banking industry. By using the purposive sampling technique, 439 respondents from 27 Malaysian commercial banks gave their responses. After filtering, the total usable data amounted to only 384 of the sample size, as 55 reflected the case of missing values.

3.2. Data Collection
In this study, self-administered questionnaire was used to gain responses from employees working in commercial banks. The questionnaire survey method is the easiest method to collect a huge set of data at any one time. The questionnaire was prepared in English version to facilitate respondents in responding to the questionnaires.

3.3. Measurement
The questionnaire consisted of six parts: (i) respondents profile, (ii) measurement values of emotional intelligence (Cronbach's alpha = 0.780) and leader-member exchange (Cronbach's alpha = 0.899), and (iii) measurement values for organizational commitment (Cronbach's alpha = 0.799), organizational climate (Cronbach's alpha = 0.815) and organizational
citizenship behavior (Cronbach's alpha = 0.838). All subset scales had high internal consistency as the Cronbach's alphas exceeded the recommended level of 0.7 (Nunnally, 1978) for this study. Table 1 presents the measurement of each variable item.

### Table 1: The measurement of items

<table>
<thead>
<tr>
<th>Author / Year</th>
<th>Constructs</th>
<th>Dimensional</th>
<th>No of items</th>
<th>Cronbach's alpha</th>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salovey and Mayer (1990)</td>
<td>Emotional Intelligence</td>
<td>• Self-Emotion Appraisal</td>
<td>4</td>
<td>16</td>
<td>0.780</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Other's Emotion Appraisal</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Regulathions of Emotions</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Use of Emotions</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liden and Maslyn (1998)</td>
<td>Leader-member exchange</td>
<td>• Affect</td>
<td>3</td>
<td>12</td>
<td>0.899</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Loyalty</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Contribution</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Professional respect</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Meyer and Allen (1997)</td>
<td>Organizational commitment</td>
<td>• Affective commitment</td>
<td>8</td>
<td>24</td>
<td>0.799</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Continuance commitment</td>
<td>8</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Normative commitment</td>
<td>8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Patterson et al. (2005).</td>
<td>Organizational climate</td>
<td>• Autonomy</td>
<td>4</td>
<td>12</td>
<td>0.815</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Supervisory support</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Goal direction</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lee and Allen (2002)</td>
<td>Organizational citizenship behavior</td>
<td>• Organizational citizenship behavior (Individual)</td>
<td>8</td>
<td>16</td>
<td>0.838</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Organizational citizenship behavior (Organizational)</td>
<td>8</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 4. Findings

The Smart PLS-SEM analysis was applied to test the study hypotheses. Multicollinearity analysis and correlations are also reported. The mediator analysis was conducted to assess the mediating effect of organizational climate in the context of banking industry.

#### 4.1. Multicollinearity Analysis

Table 2 presents the outcomes from multicollinearity analysis, which showed that the VIF values for emotional intelligence was T=0.735 and VIF=1.360, while T=0.574 and VIF=1.743 were for leader-member exchange, T=0.662 and VIF=1.511 for organizational commitment, and lastly, T=0.474 and VIF=2.111 for organizational climate. The findings portrayed no collinearity within the data. However, the average VIF was very close to 1. This further confirms that collinearity was not a problem for the variables.

### Table 2 Results of Multicollinearity

<table>
<thead>
<tr>
<th>Construct</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Beta</td>
<td>Std. Error</td>
<td>Beta</td>
<td>T</td>
<td>Sig.</td>
</tr>
<tr>
<td>EI</td>
<td>-0.600</td>
<td>0.059</td>
<td>-0.415</td>
<td>-10.190</td>
<td>0.000</td>
</tr>
<tr>
<td>LMX</td>
<td>0.319</td>
<td>0.069</td>
<td>0.215</td>
<td>4.653</td>
<td>0.000</td>
</tr>
<tr>
<td>OCM</td>
<td>-0.118</td>
<td>0.032</td>
<td>-0.160</td>
<td>-3.719</td>
<td>0.000</td>
</tr>
<tr>
<td>OCL</td>
<td>0.187</td>
<td>0.067</td>
<td>0.142</td>
<td>2.794</td>
<td>0.005</td>
</tr>
</tbody>
</table>

Note: Dependent Variable: OCB
4.2. Correlation Analysis

The correlation relationship between the items, in the context of the Malaysian commercial banking industry, is displayed in Table 3. The relationship helps to determine that all the constructs applied in this study were correlated moderately and strongly. This too can benefit the Malaysian commercial banking industry, as the information drawn from these relationships can be applied to address barriers in the industry. Several constructs exhibited inter-correlation values of above 0.9, which showed the highest correlation.

Table 3 Correlation Analysis between the Study Constructs

<table>
<thead>
<tr>
<th></th>
<th>EI</th>
<th>LMX</th>
<th>OCM</th>
<th>OCL</th>
<th>OCB</th>
<th>OCBI</th>
<th>OCBO</th>
</tr>
</thead>
<tbody>
<tr>
<td>EI</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LMX</td>
<td>0.434**</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OCM</td>
<td>0.365**</td>
<td>0.480**</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OCL</td>
<td>0.492**</td>
<td>0.627**</td>
<td>0.583**</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OCB</td>
<td>0.635**</td>
<td>0.555**</td>
<td>0.500**</td>
<td>0.568**</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OCBI</td>
<td>0.579**</td>
<td>0.461**</td>
<td>0.370**</td>
<td>0.479**</td>
<td>0.922**</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>OCB</td>
<td>0.598**</td>
<td>0.565**</td>
<td>0.551**</td>
<td>0.573**</td>
<td>0.933**</td>
<td>0.721**</td>
<td>1.00</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

4.3. Mediation Analysis

The bootstrapping method was applied to specify the nature of the relationship between the variables. It assessed the mediation path to discover the set of variables in the model. The results were tested to identify the significance of the mediating variables, which were caused by the effects of organizational commitment and organizational climate. A significant path was determined when the p-value < 0.01 (t-value > 2.57) and the p-value < 0.05 (t-value > 1.96), for the two-tailed test (Hair et al., 2014). The Boot Confidence interval that does not straddle a 0 in between indicates the presence of mediation effect at LL = 2.5% and UL = 97.5%. In this study, the results showed positive significance for four hypotheses. They were positively related and they also supported the mediator variables (OCM and OCL) in the following way:

Table 4 Results of Direct and Indirect Analyses

<table>
<thead>
<tr>
<th>Path</th>
<th>Direct Effect of Constructs Relationship</th>
<th>Hypothesis</th>
<th>(β)</th>
<th>t-value</th>
<th>Sig</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: EI --&gt; OCB</td>
<td>EI positively relates to OCB.</td>
<td>0.414</td>
<td>10.016***</td>
<td>0.000</td>
<td>Supported</td>
<td></td>
</tr>
<tr>
<td>H2: LMX --&gt; OCB</td>
<td>LMX positively relates to OCB.</td>
<td>0.215</td>
<td>3.791***</td>
<td>0.000</td>
<td>Supported</td>
<td></td>
</tr>
<tr>
<td>H3: EI --&gt; OCM</td>
<td>EI positively relates to OCM.</td>
<td>0.184</td>
<td>3.977***</td>
<td>0.000</td>
<td>Supported</td>
<td></td>
</tr>
<tr>
<td>H4: EI --&gt; OCL</td>
<td>EI positively relates to OCL.</td>
<td>0.232</td>
<td>5.962***</td>
<td>0.000</td>
<td>Supported</td>
<td></td>
</tr>
<tr>
<td>H5: LMX --&gt; OCM</td>
<td>LMX positively relates to OCM.</td>
<td>0.359</td>
<td>7.148***</td>
<td>0.000</td>
<td>Supported</td>
<td></td>
</tr>
<tr>
<td>H6: LMX --&gt; OCL</td>
<td>LMX positively relates to OCL.</td>
<td>0.562</td>
<td>15.881***</td>
<td>0.000</td>
<td>Supported</td>
<td></td>
</tr>
<tr>
<td>H7: OCM --&gt; OCB</td>
<td>OCM positively relates to OCB.</td>
<td>0.177</td>
<td>3.776***</td>
<td>0.000</td>
<td>Supported</td>
<td></td>
</tr>
<tr>
<td>H8: OCL --&gt; OCB</td>
<td>OCL positively relates to OCB.</td>
<td>0.119</td>
<td>2.020**</td>
<td>0.02</td>
<td>Supported</td>
<td></td>
</tr>
</tbody>
</table>
5. Conclusion and Discussion

Apart from attaining the research objectives, it is understood that the discussion of the findings, the contribution, the implications, the future research directions and the recommendations of this study could benefit employees in the commercial banking industry. The information can enable them to comprehend specific issues related to work commitment and to devise effective strategies in enhancing employee commitment, quality leader-member exchange relationships, high level emotional intelligence and various other values that can be used to develop and retain employees in the banking industry. Where possible, employees’ organizational citizenship behavior can be promoted and organizational climate can be enhanced.

Based on Table 4, the findings showed statistical significance between emotional intelligence and organizational citizenship behavior ($\beta = 0.414$, t-value $= 10.016$, p < 0.01). This statistics indicated a direct path relationship between emotional intelligence and organizational citizenship behavior, both being positively related with a t-value of 10.016 > 2.57, where the significant value of 0.000 was < 0.01. As a result of the employees’ high level of emotional intelligence, they were more likely to carry out the extra-role behavior in the organization where they work (Anto, 2015). In organizations, middle-managers who possess high emotional intelligence are more likely to generate greater organizational citizenship behavior. This present study also detected similar findings as Salajeghe and Farahmand (2014), who asserted that emotional intelligence and organizational citizenship behavior share positive correlation.

Sofiah, Padmashantini, and Gengeswari (2014) claimed that the social exchange theory, when applied in the banking industry, may be used to assess the role of LMX in OCB. The LMX is the most potent predictor of the OCB. In this present study, LMX and OCB were analyzed because Sofiah et al., (2014) had suggested that both should be continuously nurtured among leaders and subordinates as they can be used to detect the quality of exchanges that are likely to generate positive behavior, such as OCB. This portrays a direct path relationship between leader-member exchange and organizational citizenship behavior, both sharing a positive link with a t-value of 3.791 > 2.57, and significant value of 0.000 was < 0.01. The outcome of the survey revealed that H2 is supported because the leader-member exchange has an important role in developing employees’ behavior in achieving organizational effectiveness. The theoretical linkage, such as the social exchange theory, between leader-member exchange and organizational citizenship behavior has been
considered as a relational motive of organizational citizenship behavior (Podsakoff et al., 2000; Hackett et al., 2003; Lo et al., 2006; Khalid et al. 2014).

Emotional intelligence and organizational commitment significantly indicate the relationship between emotional intelligence and organizational commitment ($\beta = 0.184$, t-value $= 3.977$, $p < 0.01$). The direct path relationship between emotional intelligence and organizational commitment was positively related, with a t-value of $3.977 > 2.57$, and significance value of 0.000 was $< 0.01$. The outcome signified that employees committed to their organization can maintain and sustain productivity when they are equipped with high emotional intelligence. Based on this significant result, it is deduced that the Malaysian commercial banking industry needs committed workers with the sufficient ability of displaying high emotional intelligence (Makkar, 2016). The value of employees’ organization commitment can be increased by employers. Increasing the employees’ sense of belonging, making the workplace effective, offering work safety and career progression, providing compensations and offering intrinsic appreciation for their commitment to the organization can accelerate employees’ organizational commitment. Committed workers who have performed their duties at a high level of efficiency tend to be more effective, have higher productivity, become more committed toward their work and they tend to fulfill their responsibilities. This is especially noted in the banking sector. Obviously, the cause of all these in the employees is their level of emotional intelligence. As explained earlier, a high level of emotional intelligence among employees promotes their competence in solving work issues and in enhancing their work commitment, apart from their desire to offer extra services that are not required under their job descriptions.

The findings generated showed that emotional intelligence had a significant link with organizational climate ($\beta = 0.232$, t-value $= 5.962$, $p < 0.01$). Here, $H_4$ is strongly supported with the path relationship as the t-value of $5.962 > 2.57$, and the significance value of 0.000 was $< 0.01$. The results revealed that employees should improve the work environment so as to ensure that they can accomplish the working climate successfully. In this context, the findings of this study favorably displayed the impact of emotional intelligence on organizational climate which, when taken together, maximized organizational effectiveness by developing and sustaining a positive organizational climate. The more success an organization obtains, the more it would be for their managers to be equipped with high levels of emotional intelligence. Managers with high levels of emotional intelligence contribute to the growth of knowledge and information management between organization and employees (Esfahani et al., 2013). Organizational climate should be considered as a contributory factor because employees feel honored and safe to express their opinions while actively involved in decision-making and in effective knowledge sharing, both of which are linked to high quality of work life (Masomi et al., 2014).

The study outcomes exhibited a significant association between leader-member exchange and organizational commitment ($\beta = 0.359$, t-value $= 7.148$, $p < 0.01$). Here, $H_5$ is strongly supported and the path relationship has a t-value of $7.148 > 2.57$, while the significance value of 0.000 was $< 0.01$. This study revealed a positive and substantial relationship between leader-member exchange and organizational commitment among employees, which had been verified by Islam, Ur Rehman Khan, Norulkamar Ungku and Ahmed (2013). Vidyarthi et al. (2014) added that good LMX can make substantial contributions to employees’ organizational commitment. Khan et al. (2013) agreed that leaders capable of attaining organizational goals in an efficient way empower their followers and such leaders are very much an asset to any organization. The high level of LMX between leaders and subordinates
reflects the organization’s ability to significantly increase the power of its employees. High level LMX encourages the expansion of employees’ affective commitment, which then extends their emotional attachment to the organization.

Hypotheses H6 is strongly confirmed and the path relationship had a t-value of 15.881 > 2.57, while the significant value of 0.000 was < 0.01. The findings demonstrated a positive relationship between leader-member exchange and organizational climate. In this regard, the results exhibited significance between leader-member exchange and organizational climate (β = 0.562, t-value = 15.881, p < 0.01). As such, Malaysian commercial banks need to have a good working climate so that it can create employees’ perception, which would have substantial effect on both employees and organizations (Kanten & Ulker, 2013). Leader-member exchange can create good working climate among employees to enhance employees’ behavior when communicating with employees in the organization. Work climate is the heart of the organization because it can determine the worker’s behavior or attitude in developing their relationship with other workers. Similarly, the leader-member exchange relationship is crucial because it contributes to enhancing workers’ behavior. A better working climate coupled by high quality leader-member exchange relationship can certainly benefit organizations more as both factors can affect employees’ attitude and increase their intention to become more committed toward their organization.

The results showed that organizational commitment was positively related to organizational citizenship behavior (β = 0.177, t-value = 3.776, p < 0.01). In this context, H7 is strongly supported by the path relationship, with a t-value of 3.776 > 2.57, and the significant value of 0.000 was < 0.01. Khoshnammoghadam (2017) also noted that organizational commitment has a positive impact on organizational citizenship behaviors in the banking sector.

The findings displayed a statistically significant relationship between organizational climate and organizational citizenship behavior (β = 0.119, t-value = 2.020, p < 0.01). The results indicated that the direct path relationship between organizational climate and organizational citizenship behavior is positively related with a t-value of 2.020 > 1.96, where the significance value of 0.02 was < 0.05. The outcome of this survey found that H8 is statistically accepted. A favorable working climate leads to an increase in employees’ behavior. Maamari and Messarra (2012) also indicated that organizational climate, as a favorable and positive vibration for employees’ in organizations, will result in the fostering of employee’s citizenship behaviors in banks.

The mediating effect of organizational commitment on the relationship between emotional intelligence and organizational citizenship behavior showed that the indirect effect β = 0.128 (0.426 x 0.301) was positively significant at the t-value of 5.120. This means; emotional intelligence (EI) and organizational commitment (OCM) (β= 0.426, p < 0.01) and organizational citizenship behavior (OCB) (β= 0.301, p < 0.01) bear a significance value of 0.000 < 0.01.

Emotional intelligence (EI) and Organizational climate (OCL) had indirect effects (β= 0.434, p < 0.01) and OCB (β= 0.392, p < 0.01). The hypothesis is significantly supported by testing the mediating effect of organizational climate on the relationship between EI and OCB with a t-value of 6.417 > 2.57, while the significance value of 0.000 was < 0.01. The present study noted that organizational climate can cause major changes in the employees’ behavior when performing work. Employees should work in an environment or a work climate that helps
both the employees and employers to maintain greater emotional stability and positive emotional experiences, thus retaining better citizenship behavior among the employees.

Leader-member exchange and organizational commitment displayed an indirect effect ($\beta = 0.451$, $p < 0.01$) and OCB ($\beta = 0.290$, $p < 0.01$). The mediating path relationship was positively correlated between LMX and OCB with the t-value of $4.690 > 2.57$, and the significance value of 0.000 was $< 0.01$. The social exchange theory (Blau, 1964) promotes that the social exchange relationship between leader-members is a prevalent organizational phenomenon (Cropanzano et al., 2005).

Leader-member exchange and organizational climate displayed an indirect effect ($\beta = 0.675$, $p < 0.01$) and OCB ($\beta = 0.347$, $p < 0.01$). This means; the mediating effect of OCL between LMX and OCB was positively related with the t-value of $6.456 > 2.57$, and the significance value of 0.000 was $< 0.01$. González-Romá and Peiró (2014) found that leaders bear a significant influence on climate development because the leader-member exchange can generate a positive impact on employees’ citizenship behavior (Jiang et al., 2017).

5.1. Implications
This study showed that the evolving relationship between leader and member can be dynamic, waning or increasing, depending on the organizational climate. It is one of the significant ways for organizations to enhance employees’ commitment and their citizenship behavior so as to create a safe working climate. In banks, better commitment should be created with involvement of management and organizational climate in order to produce effective leaders with good qualities. To retain and sustain the stability of the banking industry, the management must have leaders with good qualities to guide employees, whereas employees must have high EI to be able to demonstrate extra-role behaviors. The outcome of this study showed that all the constructs used have been valid and reliable for employees to increase and develop their citizenship behavior toward enhancing their commitment quality.

5.2. Limitations and Future Research Direction
The present study has a number of limitations. First, this study focused on the commercial banks in Malaysia only and the usable data were extracted from 384 employees. Future studies should consider other types of institutions, such as investment banks, Islamic banks, insurance organizations and other financial institutions. The generalization of the findings and methods is limited to the commercial banks in Malaysia only. Future studies may consider expanding on this study by using the qualitative method or mixed approach to determine and compare data gathered from other sectors for practical reasons. Finally, a cross-sectional method was applied in this study, which further limited the findings. Future studies may consider using the longitudinal approach to assess employees in organizations. The results drawn may contribute to further understand other active variables that can be applied universally.

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