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Emotional Intelligence and Resistance to Change: Mediating role of Psychological Capital in Telecom Sector of Pakistan

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Abstract

Emerging research on positive psychological resources has identified Psychological Capital (PsyCap) as an important contributor towards a number of useful organizational outcomes. Literature on change management suggests that one of the most significant obstacles in managing change is employees' inability to accept the change initiatives, and that emotional intelligence (EI) and PsyCap both support in combating resistance towards change (RTC). Based on the importance of the three interrelated concepts, the present study is aimed to examine the mediating role of psychological capital on the relationship between emotional intelligence and resistance towards change. Data has been collected from a sample of 170 employees from telecom organizations operating in Pakistan through personally administered questionnaires. The mediation effect has been tested using Baron and Kenny's method of hierarchical multiple regression. Results show a positive relationship between EI and PsyCap, a negative relationship between PsyCap and resistance towards change and a negative relationship between emotional intelligence and the resistance toward change. Finally, PsyCap fully mediated the relationship between emotional intelligence and resistance towards change. The study makes a significant and unique contribution to literature by showing the mediation effect of PsyCap between the relationship of EI and RTC, which has been explored for the first time. Also, the study establishes that significant relationships exist between EI, PsyCap and RTC individually in the unique context of telecom sector of Pakistan. It is concluded that emotional intelligence leads to stronger psychological resources which play a significant role in employee's proactive attitudes towards change. Finally, limitations, future research and practical implications have been discussed.

Keywords: psychological capital, emotional intelligence, resistance to change, mediation, positive psychology, telecom sector, Pakistan

1. Introduction

In today's world, change occurs continuously and rapidly. Increasing globalization and competition pressurizes the organizations to constantly adapt to changes in market structure, regulations or legal structure and thus take advantage from opportunities as quickly as possible (Noe, 2010). These efforts are ongoing and endless and thus put a lot of stress on organizations and individuals. Bernerth, et al. (2007) studied the reasons of organizational change. According to them, there are various reasons for a change in organizations which guides how organizations can react to these set of reasons or just be aware of them and plan ahead accordingly. The following reasons about organizational change are found in various studies: responding to crisis, meeting performance gaps, introduction of new technology, identification of new opportunities, and reaction to internal or external pressure, mergers and acquisitions and planned abandonment.

Because change has become so pervasive and rapid in organizations, it is becoming increasing important for managers to understand the individual, group level and organizational level dynamics of change. This paper sets out to understand the individual level dynamics of change by exploring an importance change dynamic at individual level, i.e. resistance to change, in the telecom sector of Pakistan. The Telecom sector of Pakistan is one of the most important elements of the service industry, and one of the very few in which large, multi-national, structured organizations are operating. The large, structured nature of the telecom organizations allows researchers to apply and confirm theories and concepts being debated in the business literature internationally. The Telecom sector also provides suitable grounds to observe change dynamics as it is one of the most rapidly changing industry due to quickly changing technology. Due to high level of competition in telecom sector, every brand tries to introduce new ways of serving its clients. In doing so, the organizations have to think of innovative services, new and rapid ways of communication and also new technology. All such innovations call for change in ways of working, change in organizational structure, change in the tools and techniques and much more (Saruhan, 2013).

No matter what causes a change to take place, it always requires some level of demands and pressures on the social actors involved in the change process. People generally have the tendency to avoid change, as adjusting to new conditions mostly requires some adjustments, losses and unlearning of dearly learned skills (Beerel, 2009). However, in the current environment, change is something which cannot be avoided. Therefore, it is extremely important for managers to hire and maintain a workforce which is ready and pro-active towards change.

According to Foster (2010), the first thing to ensure in a change management procedure is adequate motivation in the employees. Whenever people encounter change, resistance is one of the most natural reactions and complacency can easily create pitfalls for an otherwise precise change initiative. When change is viewed from the perspective of employee resistance, it is found as the primary reason of failure or improper execution of a change initiative. As the resistance of an employee has significant consequences for the management and employees' involvement plays a considerable part in the accomplishment of change in an organization, the engagement of the employees during organizational change program is considered an extremely significant factor (Avey, et al., 2008).

In such circumstances, where change is unavoidable and managers must ensure an engaged workforce, it is essential to identify and explore such conditions, individual traits and employee behaviors which render a person to show greater acceptance to change initiatives. Managers need a workforce which facilitates the change processes, rather than creating a hindrance in them. Therefore, this study explores the relationship of an important individual trait, i.e. emotional intelligence with resistance towards change directly and indirectly through the effect of psychological capital. Emotional intelligence and psychological capital are both important individual level variables and have been studied in various organizational contexts. However, their relationship with resistance to change through a mediation model has not been tested before. This makes this study unique and innovative which makes a significant contribution to theory and knowledge.

2. Literature review

"Change can be defined as a phenomenon in which the new state of things is different from the old state of things" (French & Bell, 1999). According to Williams (1969) "change is a modification of the existing relationships, but it is a change in the status quo". Bridges (1986) states that change starts when something begins or ends, or when there is something that was occurring in the way begins to happen in another way or style , and this is happening at a specific time or in stages at different times.

As stated by Cummings & Worley (1993), organizational change begins from a divergence with the surroundings and is provoked by the discrepancies between the business's aim and recent outcomes. This organizational change is equally vital for managers in relation to efficient execution and for workers in relation to engagement and acceptance.

Change sometimes involves complete organizational modification or in the systems and quality of work done by the employees. It is common knowledge that it is not any easy job to manage change as it involves a number of facets to deal with. Most of the organizations are familiar with the complications involved in implementing changes in the system or procedure of organization.

In the opinion of French & Bell (1999), the requirement for modification may begin from numerous different sources that may be both from outside and inside the firm. Some external forces may include regulators, customers, technology and competitors while internal forces may include outdated products and services, opportunities provided in a new market, new strategic policies and diversified personnel. Lippitt, et al. (1958) concluded that decision of change may be made either by firm itself after facing problems or inventing better opportunities for a bright future or by a change that results from outside agent that takes an initiative to change the current system.

2.1 Resistance to Change

The literature on organizational change has primarily focused on organization based issues, while human based issues are often neglected. Most of the models of change focus on problem solving, but emotional impact is usually under-estimated (Saruhan, 2013). As the organizational change is strongly connected to how people in the organization react about it, some researchers have taken the initiative to investigate the emotional issues involved (Vakola, et al., 2004). O'Neill & Lenn (1995) interviewed leaders and concluded that anyone who is involved in change displays different types of emotions and in varying intensity (e.g. anxiety, stress, resignation and suspicion).

On the other hand, resistance is the resultant employee's reaction of opposition to organizational change (Keen, 1981). The degree of resistance of an employee may vary from lack of concern, or perhaps a negative view and outlook, and strong contrary views, to violent strikes, boycotts and bad behaviour. Oreg (2003) proposed that for taking on new ways of working, participation provides employees with the essential motivation. Managers should be well aware that the employees require learning of new skills, tasks and programs when they view the change as difficult.

Piderit (2000) classifies resistance into three major dimensions. In the first aspect, he worked on the definitions that consider resistance as behaviour. In view of Williams (1969), resistance is "a behaviour which protects an individual from the change". Del Val & Fuentes (2003) considered resistance as an employee behaviour that looks for challenges, interrupts the existing assumptions, discourses, and power relations". Like this proposition, Ashforth & Mael (1998, p.30) describe resistance as "intentional acts of commission (deviance) or omission".

In the second aspect, Piderit (2000) considers emotional issues as a basis of resistance. Carnall (1990) describes that resistance is a reaction of disappointment which is originated by initiative of change. In the third aspect, resistance is seen as cognition, which refers to beliefs and attitudes.

2.2 Emotional Intelligence

According to Huy (1999), the success or failure of a change program depends upon the emotional dynamics. He states that emotional dynamics refer to the emotional states suggested or expressed by the organizational behaviours. The extent of emotional capability in an organization and the possibility of grasping fundamental change are determined by the extent of organization's ability to execute such emotional dynamics. In general, these 'emotional dynamics' reflect the attitude of an `emotional intelligent' individual.

Emotional intelligence (EI) is a combination of two words, i.e. one is 'emotion' and the other is'intelligence'. Mayer, et al. (2000) referred to "emotions as feelings that a person possesses while intelligence as the ability to reason with something. Hence, they described EI as the capacity to reason with emotions and emotional signals, and the capacity of emotions to enhance thought. EI involves the ability to understand emotions in one-self and others, related to peers and family members, and adapt emotionally to changing environment concerns and demands".

Davies, et al. (1998) presented the view that EI should not be considered as a human ability unless such relatedness can be empirically defined. Bar-On (1997, p.16) defines a non-cognitive model of EI as "an array of non-cognitive capabilities, competencies and skills that influence one's ability to succeed in coping with environmental demands and pressures".

Salovey and Mayer's (1990) definition of EI is most widely accepted, however that does not assume that EI has only one working definition (Zeidner, et al., 2004). "Emotional intelligence is different from general intelligence, it is the intelligence applied to the life domain of emotions. There is an individual difference and EI can be developed throughout a person's life, training can enhance the development. EI involves particular abilities to reason intelligently about emotions; those who have mastered it can identify, perceive, understand and manage emotions in themselves and others" (Palmer et al., 2006, p.93).

As reiterated by Mayer et al. (2000) concepts like EI need to fulfill a certain criteria in order to be deliberated as true intelligence:

- Conceptual, meaning this intelligence can be described as a set of abilities.
- Correlational, meaning that the measures correlate with other measures which reflect similar skills and abilities.
- Developmental, meaning that it develops with age and experience

Bradberry and Greaves (2005) stated that "EI consists of four dimensions, which are self-awareness, self-management, social awareness, and relationship management, where each dimension represents different abilities associated with emotions. However, there are two types of EI proposed by Petrides & Furnham (2000) which are ability EI and trait EI. Ability EI and trait EI are two different theories measuring different EI aspects of a person by using different instrumentations. Also the procedures used in their operational definition are fundamentally different. They are different in measuring approaches even though their theoretical domains might overlap".

It is generally understood that numerous benefits can be reaped from the incorporation of EI in companies, or so the research dictates. Elevating problems from job stress to team compatibility, organizational control to individual commitment, personality development to organization progression, EI measures have started to crop up everywhere (Vakola et al., 2004; Tonder, 2004; Zeidner et al., 2004).

A study by Wong & Law (2002) in the food service industry showed a positive relationship between ability EI and job satisfaction. Weisinger (2000) points out the consequences that lack of EI can have in a work environment. If emotions are allowed to be unexpressed and the system of award/punishment is highly defective, it gives an outlet for people to mismanage their emotions and consequently, that decreases work efficiency and threatens a company's success.

Emotional intelligence can become a contributor to foster team engagement and individual development. This will provide an opportunity to enhance the organizational culture and environment to become proactive towards the problems of change (Saruhan, 2013). Vakola and Nikolaou (2006) suggested that "emotional intelligence can help individuals learn to cope with occupational stress and to control strong emotions". Since coping is also considered as a stabilising factor, Tonder (2004) suggest that emotional intelligence is extremely important to facilitate the acceptance of organisational change. Emotional intelligence also enhances a person's ability to enhance his skills and also to become more competent in certain job-related emotional and social skills, which can in turn lead to result improved performance at work (Zeidner et al., 2004).

2.3 Psychological Capital

Organizational change can be achieved in a better way by applying information from the study of positivity in organizations (Vakola et al.,2004). It is argued that the positive behaviours during organizational change can help staff to adapt to the changes and help them to accept the new working conditions. Rapidly changing economy and technological advancements today emphasize the fact that organizations need their continued dedication to organizational change (Oreg , 2003). Because of this requirement, the concept of change has become one of the extensively studied topics for researchers, and they have focused on the significance of change for the long-standing sustainability of the business. As stated by

Cummings & Worley (1993) organizational change begins from a divergence with the surroundings and is provoked by loopholes among the business's aim and recent outcomes. This organizational change is equally vital for managers in relation to efficient execution and for workers in relation to engagement and acceptance.

An organization may have a range of experienced and trained employees, but if there are no relationships and good networks, the organization will have no abundance in social capital. According to Valdis (2008, p.38) social capital is "the ability to find, utilize and combine the skills, knowledge and experience of others, inside and outside of the organization".

Mostly, in the culture of organizations, there has been a lot of importance given to the financial and economic capital, which is consisted mostly of the tangible assets. But due to recent advancements, there have been studies conducted on the importance of intangible assets, such as human capital (Saruhan, 2013). It has been observed by various researchers that when human capital is combined with the corporate methods and incorporated into the workplaces, there is a positive impact on organizational outcomes (Foster, 2010). According to Avey, et al. (2008), there is another form of capital, naming psychological capital (PsyCap), that highlight the progress and growth of individual from 'who they are' to 'who they are becoming'. PsyCap is the positive psychological state of a person that can be identified by optimism, resiliency, hope, and self-efficacy (Luthans, et al. 2007). A study carried out by Avey et al. (2008) revealed a positive relationship between positive emotions and PsyCap. Mellão & Mónico (2013) showed that there is a significant relationship between psychological capital and emotional intelligence of the workers.

PsyCap, being a combination of four positive states can help combat resistance towards organizational change as explored by Avey et al. (2008). Their study discovered that the positive psychological capital of employees is essential when it comes to combating negative attitudes (i.e., deviance and cynicism). These attitudes are often negatively connected to how an employee adapts to the latest working conditions and the organizational change. Avey et al. (2008) also confirmed that positive resources of an employee are mostly positively linked with preferred attitudes (emotional engagement) and behaviours (organizational citizenship). So the relationship between psychological capital of an individual and resistance towards change will also be examined in this research.

This study proposes that the PsyCap in general will contribute to positive emotions. For instance, foremost, if the workers are optimistic, they usually have constructive expectations for achieving the set goals and effectively deal with change and therefore go through positive feeling of confidence. Positive emotions are then expected to expand or reproduce the paths that are gained in pursuit of the goal (Fredrickson, 1998). If there is a hindrance or confrontation at some stage in the process of change, it is expected to attribute the hindrance. Furthermore, Tugade & Fredrickson (2004) maintain the proposition that cognitive abilities and states for example resilience go before positive emotions and thus have established that "high-resilient individuals tend to experience positive emotions even amidst stress" (p. 331).

Further, psychological capital can also act as a mediating variable to avoid resistance towards change. This point is supported by the study conducted by Saruhan (2013) in which it was mentioned that a very important mediating role has been played by psychological capital in the relationship between resistance to change and trust in organization. Since

studies have shown that psychological capital is related to emotional intelligence as well as resistance towards change, therefore in this research, psychological capital will be considered as a mediating factor that affects the affiliation between the employees' emotional intelligence and their resistances towards change.

Emotional intelligence and psychological capital are newer terms in literature. So far there have been a few studies to examine the association between emotions and behaviours in the organization with organizational change. Lack of understanding of the behaviours that can result from the change implementation has resulted in waste of time and money (Saruhan, 2013).

3. Theoretical Framework

In this study, emotional intelligence serves as the independent variable, which is expected to relate negatively with resistance towards change (the dependent variable) directly and indirectly through the mediating effect of psychological capital which is employed as the mediating variable.

3.1 Independent Variable

Accomplishment or failure of any change initiative highly depends upon the emotional dynamics of employees (Huy, 1999). Vakola et al. (2004) argued that emotional intelligence can significantly predict the employees' attitude towards change. Therefore, emotional intelligence is taken as an independent variable in this study.

3.2 Mediating Variable

Psychological capital can be expected to mediate the relationship between organizational change and any other independent variable as in the study of Saruhan (2013) psychological capital mediates the relationship between trust and organizational change.

3.3 Dependent Variable

Resistance towards organizational change is dependent upon various factors e.g. emotions (Piderit, 2000), emotional intelligence, (Huy, 1999; Armenakis et al., 1999; Vakola et al., 2004) low tolerance for alteration (Kotter, 1996) poor management (Petrini & Hultman, 1995) and many more. Due to the importance of change management in current era, resistance towards organizational change is considered as dependent variable in this study.

In order to satisfy the conditions of mediation according to Baron and Kenny (1986), a relationship between emotional intelligence and psychological capital, between psychological capital and resistance to change, and finally between emotional intelligence and resistance to change has to first established, before mediation can be tested. There are sufficient theoretical foundations in literature to suggest that these relationships can be expected and the mediation effect as well. For example, various studies have found the relationship between different dimensions of either emotional intelligence and psychological capital (Azizian & Samadi, 2012) and one study by Mellão & Mónico (2013) has found association between the two variables taken as whole. Therefore, emotional intelligence and psychological capital are expected to be significantly related to each other in this study settings as well. The first hypothesis is:

- **H_1:** There is a positive relationship between emotional intelligence and psychological capital

Studies also show that psychological capital or its dimensions are significantly related with the behaviours and attitudes towards change (Bandura, 1982; Peterson et al., 2011; Saruhan, 2013). It is expected that an employee having higher psychological capital will show lesser resistance towards change in the current context as well. Therefore the next hypothesis is:

- **H_2:** There is a negative relationship between psychological capital and resistance towards change.

Employees' behaviours toward organizational change are associated with the emotional intelligence. According to Huy (1999) employees that have high emotional intelligence are more committed to the organizational changes. Wong & Law (2002) have uncovered significant relationship between emotional intelligence and resistance towards change. Di Fabio et al. (2014) have also found that emotional intelligence explain significant variation in resistance towards change in the Italian context. Therefore, it is expected that higher emotional intelligence will lower the resistance towards change in the Pakistani context as well. Therefore, third hypothesis states that:

- **H_3:** There is a negative relationship between emotional intelligence and resistance towards change.

Where we have seen that previous literature demonstrates a relationship between each of the individual variables separately, the mediation of psychological capital between the relationship of emotional intelligence and resistance towards change has not been studied before. According to Mellão and Mónico (2013), high level of emotional intelligence leads towards high level of psychological capital, and also, higher the psychological capital, lesser is resistance towards change (Wong & Law 2002). Therefore, psychological capital is expected as a mediator to reduce the resistance towards change, and thus the fourth hypothesis is stated as;

- **H_4**: Psychological capital mediates the relationship between emotional intelligence and resistance towards change.

The following diagram illustrates the conceptual model;

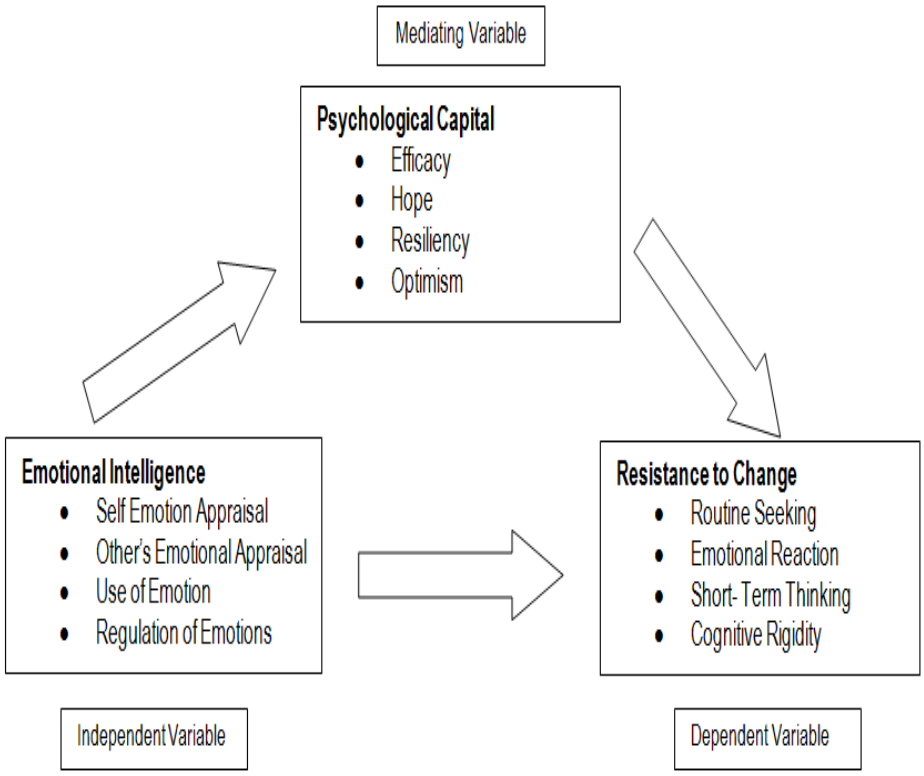

Figure 1: Schematic Diagram

4. Methodology

4.1 Sample

The sample consisted of employees of Telecom sector of Pakistan. Total six organizations i.e. Warid, Telenor, Mobilink, Zong, Ufone and PTCL were taken in consideration to collect data. A sample size of 150-200 responses was targeted, as the sample size would be large enough to carry out the required statistical analysis, i.e hierarchical multiple regression. Since all the organizations were not willing to provide an entire list of their employees, convenient sampling was the only option available to the researchers. Stevens (1996, p. 72) recommends that 'for social science research, about 15 participants per predictor are needed for a reliable equation'. Tabachnick and Fidell (2007, p. 123) give a formula for calculating sample size requirements, taking into account the number of independent variables that you wish to use: $N > 50 + 8m$ (where m = number of independent variables). As there are two independent variables and three control variables (age, gender and organization), therefore, the sample is sufficient both from the aspect of required statistical analysis and an overall requirement of a large sample size.

A sample of 170 responses was collected, out of which 20.0% belonged to Warid, 12.4% to Telenor, 18.8% to Mobilink, 14.1% to Zong, 20.0 % to Ufone and 14.7% to PTCL. Further, 77.6 % of respondents were male and 22.4% were female. On the basis of age,

24.7% of respondents were in range of 15-25, 55.9% fell in category of 26-35, 14.7% were in 36-45 and 4.7 % lay in the age category of more than 45.

4.2 Survey Instruments

The survey employed in this study included five sections. The first section was the cover letter that explained the aim of this study and guaranteeing firm confidentiality of participant. Second section covered the demographic aspects including name, gender and organization of the respondent. The remaining three sections consisted of three major constructs; emotional intelligence, psychological capital and resistance to change. The allocation of the item is as follows; 16 items were used to determine resistance to change, 16 items to determine emotional intelligence, and 12 items to determine psychological capital. The scale used to measure resistance towards change was developed by Oreg (2003), having four sub factors naming routine seeking, emotional reaction, short- term thinking and cognitive rigidity (Cronbach's Alpha $\alpha = 0.92$). Psychological capital had been analysed by using Luthans et al. (2007) PsyCap Scale. The scale consists of four sub factors naming efficacy, hope, resiliency and optimism ($\alpha = 0.89$). Lastly, Wong & Law Emotional Intelligence Scale (WLEIS) ($\alpha = 0.91$) had been utilised to analyse the emotional intelligence and its sub factors i.e. self-appraisal of emotions, other's emotion appraisal, use of emotions, regulation of emotions. These scales have been rigorously validated in previous researches and widely used for measuring the respective concepts. They all have demonstrated excellent reliability and construct validity in previous researches.

A seven point Likert scale has been employed to evaluate the responses for each statement. This scale illustrates 1=Strongly Disagree, 2= Moderately Disagree, 3= Slightly Disagree, 4= Neutral, 5=Slightly Agree, 6=Moderately Agree, 7= Strongly Agree.

4.3 Data Collection

In order to collect data, a self-administered questionnaire consisting of five sections was distributed amongst 200 employees of six telecom organizations. Out of which 180 questionnaires were returned, 10 were incomplete and therefore discarded and finally 170 were utilised for data analysis. For distributing the questionnaires, the researcher approached the employees by either visiting their offices or contacting them through e-mails. They were told that information would be kept anonymous. Where an employee showed agreement to fill in a survey, a paper version of the survey was given. If preferred, the questionnaire was sent via electronic mail.

5. Results

In order to analyse the results gathered from the survey, various techniques have been applied. First of all, data was coded in SPSS 21, which is a statistical program to analyse data, and is extensively used for data analysis in management and social sciences.

5.1 Reliability of Instruments

First of all, reliability of three constructs was found by computing the values of Chronbach Alpha. Total number of items on resistance towards change was 16 and the value of Chronbach Alpha for the construct was found to be 0.606. Total number of items of Psychological Capital was 12 and value of Chronbach alpha was found to be 0.809. Lastly, the number of items related to emotional intelligence was 12 and the alpha was 0.844. The values for all three constructs fall within the acceptable range (>0.60) suggested by a number of authors such by Nunnally (1978).

5.2 Descriptive Statistics

Table 1 shows the major descriptive statistics of the variables included in the study. The statistics on skewness and kurtosis show that the variables are normally distributed. This satisfies the initial requirements for applying parametric tests of the data and therefore, we proceed further for correlation and regression analysis.

Table 1: Descriptive statistics

	Mean	Std. Deviation	Skewness	Kurtosis
Emotional Intelligence	5.6331	.67881	-.370	-.047
Resistance towards change	3.6669	.65306	.181	-.096
Psychological Capital	5.7475	.67216	-.388	-.541
Std. Error of Skewness				0.186
Std. Error of Kurtosis				0.370

5.3 Correlation Analysis

Table 2 illustrates the correlation between resistance towards change (dependent variable) and both the independent variables i.e. psychological capital and emotional intelligence. According to the table, the correlation coefficient (*r)* between resistance towards change and psychological capital indicates a negative relationship (r=-.247; $p<0.01$). It shows that higher the level of psychological capital, lower will be the resistance towards change showed by the employees. Also note that the correlation coefficient (*r)* between resistance towards change and emotional intelligence is also showing a negative correlation (r=-.215; $p<0.01$). It can therefore be suggested that when employees are more emotionally intelligent, they will show lesser resistance towards change. The strongest relationship has been found between the two independent variables i.e. psychological capital and emotional intelligence. The correlation coefficient (*r)* between resistance towards change and emotional intelligence shows a moderate positive relationship (r= .414; $p<0.01$). Thus it is revealed that more a person bears emotional intelligence characteristics, more he will have the stock of psychological capital and vice versa.

Table 2: Correlation Matrix

	1	2	3
1. Resistance towards change	**1**	**-.247****	**-.215****
2. Psychological Capital		**1**	**.414****
3. Emotional Intelligence			**1**

5.4 Regression Analysis

Preliminary analysis was conducted to establish that the conditions for regression analysis were satisfied. Table 1 shows that all the key variables were normally distributed; therefore the condition of normality is satisfied. Then, scatter plots were examined for linearity of the phenomenon and a linear relationship was detected among all variables. A scatter plot between the standardized predicted values and standardized residuals was observed to confirm homoscedasticity and independence of error terms. Graphs for all four of the models were unremarkable. Also, the graphs confirmed that there were no outliers. Durbin-Watson value was checked for multi-collinearity in Model 4 where there were two predictor variables, and the value was within the prescribed range (between 1.5 - 2.5).

After satisfying all the required conditions, the mediating effect of psychological capital in the relationship between resistance towards change and emotional intelligence was computed through hierarchical regression analysis. The method suggested by Baron and Kenny (1986) has been adopted to test the mediation of psychological capital in the independent-dependent relationship.

Table 3: Hierarchical Regression Analysis

	R^2	ΔR^2	F	B	T	p
Model 1: EI (IV) = CVs + PsyCap (DV)	.258		14.33			
EI		.201		.446	6.685	.000
Model 2: PsyCap (IV) = CVs + RTC (DV)	.089		4.036			
PsyCap		.074		-.279	-3.694	.000
Model 3: EI (IV) = CVs + RTC (DV)	.078		3.480			
EI		.062		-.250	-3.336	.001
Model 4: EI (IV) = CVs + PsyCap (MV) + RTC (DV)	.109		4.001			
EI		.062		-.158	-1.900	0.059
PsyCap		.031		-.204	-2.385	0.018
CV: Control Variables (Age, gender, organization); IV: Independent Variable; DV: Dependent Variable EI: Emotional Intelligence; PcyCap: Psychological Capital; RTC: Resistance to change						

In all the regression analyses, control variables (age, gender and organization) were entered in the first step. Then, in the first model, emotional intelligence was entered to calculate its contribution in predicting PsyCap which revealed that emotional intelligence significantly predicted psychological capital (β=.446, p=.000). In the second model, analysis was carried out between PsyCap and resistance to change, which showed that psychological capital had a strong negative influence on resistance to change (β= -.279, p=.000). In the third step, analysis was conducted between emotional intelligence and resistance to change. Results show that emotional intelligence significantly predicted resistance to change (β= -.250, p=.001). All three steps confirmed the condition of mediation.

5.5 Mediation Analysis

The fourth regression analysis was conducted for the mediation analysis. Psychological capital and emotional intelligence were entered as independent variables to examine their contribution towards the dependent variable. The results of hierarchical multiple regression showed that psychological capital had a significant effect on resistance to change (β= -.204, p=.000) while the significant contribution of emotional intelligence on resistance to change in second regression disappeared in multiple regression when psychological capital

was added to the equation (β= -.158, p=.059). This result demonstrated that psychological capital fully mediated the relationship between emotional intelligence and resistance to change.

6. Discussion

Through this research, the association between emotional intelligence, psychological capital and resistance towards organizational change has been analyzed. Four hypotheses were tested in the study. Relationship between psychological capital and emotional intelligence was examined in the first hypothesis. This hypothesis was tested through regression. It was demonstrated that strong relationship existed between the two constructs (R^2=0.258) i.e. person with high levels of psychological capital also had high levels of emotional intelligence. The results were similar to results of Mellão & Mónico (2013) in which a survey was conducted among 301 people in Portuguese settings. An important relationship was established among emotional intelligence and psychological capital of the workers.

Likewise, a reasonable association among psychological capital and the resistance to change has also been shown. This result also confirmed the second hypothesis (R^2=0.089). Avey et al. (2008) have also demonstrated that a positive psychological capital is significant for combating against contradictory attitudes. Similarly, Peterson et al. (2011) conducted a study which supported the proposition that employees showing high psychological capital are more optimistic and resilient towards an organizational change. Psychological capital, in short, is much helpful for managing change at the behavioral level in the organization.

The proposition made by the third hypothesis is that there is a relationship between emotional intelligence and resistance to change. The results have partially supported this hypothesis (R^2=0.078). Same results were found by Vakola et al. (2004). A sample of 137 professionals completed self-report inventories evaluating personality qualities, emotional intelligence and resistance to change in workplace. It can be viewed that the connection among individuality qualities and worker's resistance to change is quite significant. Same proposition was made by Huy (1999) who proposed that emotional intelligence affects the resistance of workers towards a change in the workplace. Hence, it can be concluded that more of emotional intelligence lessens the opposition of workers towards an organizational change.

The fourth hypothesis was meant to analyze the mediating role of psychological capital in the relationship between emotional intelligence and resistance towards change. The R^2 change statistic for the increase in R^2 associated with the added variable (psychological capital) is 0.031. Thus, by adding psychological capital in the regression model, with already containing emotional intelligence, the prediction for resistance towards change improved by 3.1%. Also it was found that in the final analysis, only mediating variable remained significant (β= -.198, p= .018) while, the impact of emotional intelligence on resistance towards change became insignificant. Thus the research hypothesis that there is a statistically important development in the connection between the set of independent variable and the dependent variable when mediating variable is added is supported (Baron &Kenny 1986).

These findings have made significant contributions to literature, particularly for the context of Pakistan, as well as for the general organizational psychology debates. None of the

individual relationships (EI-PsyCap, EI-RTC, and PsyCap-RTC) had been explored before in the Pakistani context. This renders generalizability to the existence of these relationships as being universal functions rather than situational occurrences, which exist in different and variable cultures and contexts. The study also establishes the reliability of three psychometric scales in organizational psychology within the Pakistani context, i.e. Luthans' PsyCap scale, the WLEIS scale and Oreg's resistance to change scale. Future studies exploring these constructs can employ these scales in the Pakistani multi-national context with greater confidence. Finally, the most significant and unique contribution made by this study is the full mediation of PsyCap in the relationship between emotional intelligence and resistance to change. This implies that PsyCap is a concept of much significant nature and in its presence, emotional intelligence is automatically functional in controlling resistance towards change. This relationship has never been explored before in previous literature and therefore makes a significant contribution to knowledge.

7. Limitations

It is a common occurrence that every research, no matter how rigorous, carries a few limitations inevitably. One of the main limitations is that, this research is based on the philosophy of positivism, which could result in a restricted range of findings. Hence, in-depth analysis of individual situation of the employees cannot be presented in this research. Also it is assumed that people would be able to produce an accurate analysis of their behaviors and attitudes which may not be true in all cases (Saunders et al., 2009). The problem of generalizability is in effect when a non-random sampling technique is used. The sample size consisted of 170 employees of six telecom companies, although sufficient for conducting the statistical analysis, could be limited in generalization of the results as the sample may not be true representative for all type of employees in other industries and work situations. Due to the cross-sectional nature of the research, any type of causation-related conclusions will not be in the reach. Cross-sectional studies do not encompass the directions of the relationships found. Nevertheless, when finding a substantial relationship, many aspects of the future relationships can be found which finally leads to significant interpretations of cause and effect relationships.

8. Practical Implications

The research results have many practical implications. It could be established that emotional intelligence has a considerable association with the management of change (Vakola et al., 2004). The tie of emotional intelligence with resistance to change is helpful in the management of employee's efficiency during a major organizational change. Psychological welfare of workers is hugely dependent on the emotional intelligence level they have. More of emotional stability increases the level of psychological capital of employees. Organizations can adopt a number of techniques to enhance their employees' emotional intelligence. It would be beneficial to invest in the training and development of employees in this area.

The study also demonstrates that psychological capital fully mediates the relationship between emotional intelligence and resistance to change. This signifies the important of psychological capital in managing resistance towards change from the perspective of emotional intelligence. Therefore, it would be much beneficial for managers and practitioners to build an organization's psychological capital, which can be done through developing an environment of positivity. These findings have powerful implications for

the positivity movement as well. By showing the importance of psychological capital, it can be claimed that work-life can be better managed through positive phenomenon.

9. Directions for Future Research

This study provides several opportunities for future research. Firstly, it would be interesting to explore if the mediation of emotional intelligence by PsyCap occurs in the same pattern in other industrial sectors in Pakistan, in other cultural contexts of the world and in other geographical contexts. Secondly, future studies may explore a similar mediation on another dependent variable of interest, such as work engagement or organizational virtuousness, which have not been tested yet, but carry significant important for an organizational setting. Finally, a longitudinal study may be conducted to establish the cause-and-effect relationship between the key concepts with greater confidence, as a cross-sectional study cannot claim a cause-and effect in true sense, although it demonstrates it statistically.

10. Conclusion

Concluding all of this, change in organizations in terms of behavioural responses and emotions can be responded with psychological capital and emotional intelligence resources. This research can be useful for managers because it provides them with the guideline to introduce organizational change to the workers in such a way that will decrease the possibility of resistance. Not only employees who possess higher psychological capital have been demonstrated to be straightforwardly connected to higher ranks of performance and job contentment (Luthans et al., 2007) it can now be reasonably justified that workers who are more confident, resilient, optimistic, and confident (efficacious) effortlessly recognize the change than workers who are lower in these psychological capabilities. Lastly, a realistic application of the findings proposes that organizations may utilize this information to apply the change program by developing ways to increase the PsyCap and emotional intelligence. Organizations would gain the benefits of workers feeling more content with the change efforts.

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