Elaborating the Relationship between Personality Characteristics, Cultural Intelligence and Job Performance of Employees (A Case Study: Telecommunication Company of Isfahan)

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Abstract

The aim of the present research is to investigate the relationship between personality characteristics, cultural intelligence and job performance of employees. The population of the study comprises 200 employees of the telecommunication company of Isfahan. The sample is selected through simple random sampling and the sample size includes 131 individuals elected through Cochran formula. As for the data collection, validated questionnaires are employed. To determine the validity and reliability of the questionnaires, content validity and Cronbach's alpha coefficient were used. Reliability coefficient for the questionnaire of personality characteristics of employees, cultural intelligence, and the employees' job performance equaled 0.79, 0.80 and 0.83 respectively. As for data analysis, structural relations model was employed and to test the hypotheses as well as analyze the data and conduct other analyses of the research, Lisrel statistical software was utilized. Results of the study showed that there is a significant relationship between the variables of personality characteristics, cultural intelligence and job performance of employees. Furthermore, the mediating role of cultural intelligence variable in the relationship between personality characteristics and job performance was confirmed.

Keywords: Personality characteristics of employees, cultural intelligence and job performance of employees.
Introduction

Many scholars in the field of management have focused their attention on identifying and strengthening the features that lead to effective participation in complex and dynamic environments. Among these features, cultural intelligence is the most important capability which can be employed to deal effectively with multicultural situations. Through rapid perception of different cultural components, cultural intelligence assists in displaying a behavior commensurate with every situation (Hosseini Nasab and Ghaderi, 2012). Cultural intelligence is a modern field of intelligence which provides the possibility of mediation in various cultural areas. This quality is known as the foundation or the ability to focus on specific features essential for high quality personal relationships and efficacy in different cultural conditions (Ahmadi and Ghasemi, 2012).

Today, organizations are oriented towards employing qualified human resources to survive, regulate and flourish, as well as to achieve rapid growth, continuous improvement, efficacy, profitability, flexibility and adaptability, to prepare for the future and enjoy a privileged status in the field of their activity (Golparvar and Balali, 2010). Hence the most important objective for any organization is to achieve the highest level of possible efficiency or optimum efficacy. Among the significant factors in the growth, development and efficacy of an organization and society are human resources with personality and behavioral characteristics specific to them. Therefore studying the interplay of these factors seems crucial. Furthermore, high performance in companies, organizations and institutions originate from multiple factors. Various methods exist to resolve the problems that lead to low performance, among which focusing on personality characteristics of individuals in organizations can be named. Studies have shown that zealous employees, committed to organizations, demonstrate higher job performance, are more prone to staying in the organization, have lower absenteeism, manifest higher work motivation and are more adaptable to and agreeable with the changes of the organization.

As a result, through determination of organizational commitment of employees and modification of factors affecting it, organizations can achieve their major organizational objectives (Sa’atchi, 2003). Therefore, examination of the personality characteristics and cultural intelligence of employees, as well as their interplay with job performance is highly significant. This is due to the fact that in the past few years, researchers have agreed upon the fact that the five-factor model of personality can be applied to describe the critical aspects of personality. This five-factor model is generalizable in terms of criteria, cultures and source of evaluation. Moreover, five-factor model has been investigated in many areas of industrial and organizational psychology, particularly in relation with job performance (Barrick and Mount, 1991). Therefore the aim of this study is to examine the relationship between personality characteristics, cultural intelligence and job performance of employees.

Review of the Literature

Personality Characteristics of Employees

Character, according to its scientific definition, represents those features of an individual which include fixed patterns of thought, emotion and behavior. Undoubtedly, one of the major
fundamental issues in the field of psychology is personality characteristics. Since these features form the basis of people's behavior, addressing this issue could clarify certain aspects of individuals’ performance in various fields. An obvious example of this is the impact of personality characteristics of individuals on their job performance (Karimi, 2005).

Among the researchers who conducted comprehensive studies on personality features or characteristics are Robert McCrae and Paul Costa, in "Gerontology Research Center, National Institute of Health in Baltimore, Maryland". They have identified five major personality traits. Using factor analysis, McCrae and Costa concluded that five major aspects can be specified among individual differences in personal characteristics, including Neuroticism, extroversion, openness, adaptability or agreeableness, and conscientiousness.

1) Neuroticism: Incompatibility or the strongest area of personality comparisons is in contrast with compatibility or emotional or neurosis stabilities. From this perspective, diverse types of distress, including emotional distress such as social phobia, depression and anxiety are diagnosed in individuals.

2) Extroversion comprises interpersonal traits; that is, it shows what people do to each other, as well as for each other.

3) Acceptance or (empiricism) covers active thought, feeling of over-acceptance, attention to inner feelings, seeking diversity, curiosity, mental flexibility and reasoning in judgment.

4) Compatibility or (agreeableness) is an aspect of interpersonal interactions. Basically an individual with this feature is altruistic, displays empathy towards others and is eager to help people. Those with a high level of compatibility are friendly, good-natured, cooperative, committed, polite and reliable. In work fields, agreeable employees demonstrate high levels of interpersonal competence and have effective cooperation in joint actions (Akhilandra et al., 2009). Therefore people with high adaptability are more likely to have high organizational citizenship performance. This trait has positive relationship with organizational citizenship behavior.

5) Conscientiousness refers to self-control. An individual with this trait has the ability to fulfill the duties assigned to him through his high organizational planning power (Schultz, 1998). If employees are free to opt their job according to their personality characteristics, they will exert high efficacy, perform their job with patience and good manners, without tolerating mental stress. Human resources are useful and effective if they can work with optimum motivation, high spirit and commitment. In fact job satisfaction and job commitment are among the major issues in human resources management and organizational behavior studies. This is due to the fact that this construct can be effective in predicting organizational behaviors such as quitting jobs, delays, slumber, absenteeism and the like in the future, and ultimately exert a significant impact on labor productivity.

Given the fact that the primary and most important component of an organizational system includes individuals with varied personalities; motivations, abilities, desires, beliefs and ideas that constitute the major component of the human personality determine the limits of expectations of individuals from each other and also from the organization (Ma’man Poush, 2006).

Cultural Intelligence
In fact, the concept of cultural intelligence is multi-faceted and multi-dimensional in which human desires in relation with other cultures are analyzed and evaluated from different aspects (Ahmadi & Ghasemi, 2012).

Many scholars have defined cultural intelligence as a person's ability to effectively perform his duties in different cultural situations (Earley Mosakowski, 2004 and Earley and Ang, 2003). According to Thomas and Earlon, cultural intelligence is a system of interactive capabilities. In fact, cultural intelligence is the capacity that allows people to have proper perceptions in the face of different cultures and act appropriately.

According to Earley and Ang, cultural intelligence is an independent construct from culture, which is used in a specific cultural situation. This type of intelligence improves understanding of cross-cultural interactions (Earley, 2002). For an individual to be considered as culturally intelligent, they should be able to have proper and accurate performance and judgment in situations with multiple perceptions in order to achieve proper and accurate understanding of that situation (Thomas, 2006, 123). People with a higher level of cultural intelligence are more masterful in expressing emotions and physical states.

Cultural intelligence is also one of the most efficient tools to perform tasks effectively in environments with heterogeneous and diverse work force. This type of intelligence is a special ability and skill which allows the individual to perform his duties effectively in multicultural situations (Rahimnia et al., 2009). Cultural intelligence is the most important tool that can be applied to encounter multi-cultural situations properly. Through the rapid and accurate perception of various cultural components, this intelligence assists the individual in displaying a behavior commensurate with each of the components of those cultures. Organizations and managers who appreciate the strategic value of cultural intelligence, withstand differences and cultural diversities in order to create competitive advantage and excellence in the global market.

Cultural Intelligence teaches a manner of thinking and action to managers and employees, so that they can perform effectively in every cultural situation (Askari Varizi, 2012). Today, organizations look for managers with the ability to consistently adapt with people from different cultures and have the ability to handle intercultural communication. Today's work environment is in need of people who are familiar with different cultures and can work with people from other cultures, establishing proper relationships with them. For this purpose, individuals are in need of cultural intelligence. The ability of an individual to adjust to the values, traditions and customs different from what he has been accustomed to and working in a different environment and culture, represents cultural intelligence (Hadizadeh Moghadam and Hosseini, 2007). Cultural Intelligence includes three practical, emotional and motivational or cognitive aspects, each of which is distinct from the other. Armed with these three sources, people with high cultural intelligence will be able to adapt their behavior through nonverbal gestures, ways of speaking or adjust to behavioral habits of others with different cultures. Many researchers use these three aspects to measure the cultural intelligence of individuals. Thomas and Inkson maintain that intelligence is a multifaceted competency comprising cultural knowledge, thoughtful action and a series of behavioral skills (Thomas and Inkson, 2005).

As Ang et al. state cultural intelligence consists of four components; that is meta-cognitive factor (cultural intelligence strategy), cognitive factor (knowledge of cultural intelligence), motivational factor (cultural intelligence motivation) and behavioral factor (cultural intelligence behavior). Therefore addressing cultural intelligence and attempting to improve it is crucial.
In the chaotic world of the third millennium, only those leaders will be influential in their roles of leadership and universal common management who have developed significant levels of cultural intelligence within themselves (Mohammad Khani and Teimouri, 2011).

**Job Performance of Employees**

Within the past two decades, organizational performance management has turned into one of the interesting topics or research. Information on performance enables organizations to gain competitive advantages (Vesna, 2008).

One of the key issues in the process of improving the performance of organizations is orienting organizational input, in particular human resources, towards the realization of the objectives of the organization and the tasks of the system (Parsa’ eian and A’rabi, 1999). Performance is the set of behaviors associated with jobs and manifested by people (Griffin, 1996). Individual’s performance in an organization depends on his personality type and the organizational role he is assigned with, as well as his success and organizational conditions. According to Vaysvsvaran and Vance (2000) job performance includes actions and behaviors through which employees engage in organizational goals and assist in the realization of organizational objectives. Rogelberg (2007) has defined performance as activities that generally constitute part of the individual’s job, as well as activities that he is obliged to fulfill. Organizational performance includes access to or moving beyond organizational and social goals and fulfillment of the responsibilities assigned to the employees (Hersey and Blanchard, 1994). The predicted performance criterion or the key independent criterion in the framework proposed in this study can act as a means for judging the efficacy of individuals, groups and organizations. Job performance comprises the efficiency and the output of individuals in relation with the work they are performing. In other words, performance is the real job of individuals with regard to their job description. In fact, job performance is to accomplish the tasks laid out by the organizations for human resources (Cascio, 2005).

For an organization to achieve its goals, the employees should fulfill their tasks in an acceptable level of performance. This is a vital issue for public organizations whose poor performance leads to their failure in providing public services, as well as for private companies whose weak performance leads to bankruptcy.

From a social perspective, the most significant point for organizations is to have employees who do their jobs properly, with good performance, and who promote the productivity of organizations, which ultimately lead to the enhancement of the national economy (Spector, 2000). Studies have shown that several factors can be influential in promoting employees' job performance and their commitment to the organization. Factors that if taken into account in organizations, not only enhance the performance of employees, but will also be influential in quality, efficacy, and the affairs relating to organizations. Personality characteristics are among the constructs which are significant in organizational affairs. Based on previous studies, these are elements which can result in high organizational commitment, along with the better performance of the employees. In the meta-analysis by Barrick and Mount (1991), they concluded that conscientiousness is the best predicting personality characteristic for job performance and neuroticism and extroversion are positive predictors for job satisfaction. Kark, Shamir and Chen (2003), in an analysis of the relationship between each of the five personality areas and job performance, found that conscientiousness has the strongest correlation with job performance.
Also Byrne et al (2005) studied the relationship between job performance and personality characteristics. The results showed that conscientiousness significantly predicted job performance (Na’ami, 2005).

Research Hypotheses
1. There is a significant relationship between personality characteristics of employees and cultural intelligence.
2. There is a significant relationship between personality characteristics of employees and their job performance.
3. There is a significant relationship between cultural intelligence and job performance of employees.
4. There is a significant relationship between personality characteristics of employees and their job performance due to cultural intelligence.

Research Method
Given the purpose of the research, the method of this study is causal and applied, utilizing matrix correlation or covariance analysis type in which structural equation modelling is applied. The population of this study comprises all employees of the telecommunication company of Isfahan. The sample size includes 131 individuals chosen through simple random sampling and Cochran formula. Data for the study is collected through validated questionnaires. To determine the validity and reliability of the questionnaires, content validity and Cronbach's alpha coefficient are applied.

Reliability coefficient of the cultural intelligence questionnaire of Ang et al., (2004) as well as NEO-FFI Personality questionnaire known as neo-by Costa and McCrae (1989) equaled 0.80 and 0.79 respectively. The latter questionnaire was translated and applied in Iran by Haghshenas (2004). As for employees’ job performance questionnaire which was a report designed by managers and supervisors for ranking employees of Kobeh Esteel corporation in Japan in 1993, translated by Siahi and the guidelines of Shokrkon, PhD (1996), the reliability coefficient equaled 0.83.
In this study, the structural relations model was used to analyze the data. As for data analysis and hypothesis testing and other analyses in this paper, Lisrel statistical software was used.

**Data Analysis**

**Table1**: This model fit indices

<table>
<thead>
<tr>
<th>Estimated Values</th>
<th>Standard Values</th>
<th>Fit Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>461</td>
<td>-----------</td>
<td>Degrees of freedom of freedom</td>
</tr>
<tr>
<td>1131.02</td>
<td>Due to dependence on sample size, it is not a good criterion</td>
<td>Chi Square</td>
</tr>
<tr>
<td>0.085</td>
<td>0.05</td>
<td>RMSEA</td>
</tr>
<tr>
<td>0.91</td>
<td>0.90</td>
<td>NFI</td>
</tr>
<tr>
<td>0.94</td>
<td>0.90</td>
<td>NNFI</td>
</tr>
<tr>
<td>0.95</td>
<td>0.90</td>
<td>CFI</td>
</tr>
<tr>
<td>0.61</td>
<td>0.05</td>
<td>RMR</td>
</tr>
<tr>
<td>0.74</td>
<td>0.90</td>
<td>GFI</td>
</tr>
<tr>
<td>0.70</td>
<td>0.90</td>
<td>AGFI</td>
</tr>
</tbody>
</table>

As is shown in table 1, adaptability or fit indexes are all in a relatively acceptable level. The following two figures display the general models of LISREL software output, which involve the structural model and the measurement model at the same time. These will be separately discussed and elaborated on later.

Figure 2: The basic model with path coefficients
Figure 3: Basic model and t values

Hypotheses testing
The first hypothesis

Researcher’s claim

1-There is a significant relationship between personality characteristics of employees and cultural intelligence.
H0: There is no significant relationship between personality characteristics of employees and cultural intelligence.
H1: There is a significant relationship between personality characteristics of employees and cultural intelligence.

Table 2: Results of Standard Coefficients and t Statistics

<table>
<thead>
<tr>
<th>Predicting variable</th>
<th>Predicted variable</th>
<th>Estimated coefficient</th>
<th>T statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personality characteristics of employees</td>
<td>Cultural intelligence</td>
<td>0.57</td>
<td>6.15</td>
</tr>
</tbody>
</table>

According to Table 2, the value of path coefficient between personality characteristics of employees and cultural intelligence equals 0.57, with the corresponding T value of 1.96<6.15. Hence according to t test with critical value of 0.05 at 95% level of confidence, the null hypothesis can be rejected.
As a result, the first hypothesis is approved and with 95% level of confidence, it can be said that there is a significant relationship between personality characteristics of employees and cultural intelligence.

**The second hypothesis**

2- There is a significant relationship between personality characteristics of employees and their job performance.

H0: There is no significant relationship between personality characteristics of employees and their job performance.

H1: There is a significant relationship between personality characteristics of employees and their job performance.

<table>
<thead>
<tr>
<th>Predicting Variable</th>
<th>Predicted Variable</th>
<th>Estimated Coefficient</th>
<th>T Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personality</td>
<td>characteristics</td>
<td>0.55</td>
<td>4.92</td>
</tr>
<tr>
<td>of employees</td>
<td>Job performance</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

According to Table 3, the path coefficient value between personality characteristics and job performance of employees equals 0.55 and the corresponding t value is 1.96 < 4.92. According to t-test with critical value of 0.05 at the 95% level of confidence, the null hypothesis can be rejected, thus the second hypothesis of the research is confirmed with 95% level of confidence. It can be said that there is a significant relationship between personality characteristics and job performance of employees.

**The third hypothesis**

3- There is no significant relationship between cultural intelligence and job performance of the employees.

H0: There is no significant relationship between cultural intelligence and job performance of the employees.

H1: There is a significant relationship between cultural intelligence and job performance of the employees.

<table>
<thead>
<tr>
<th>Predicting Variable</th>
<th>Predicted Variable</th>
<th>Estimated Coefficient</th>
<th>T Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultural Intelligence</td>
<td>Job Performance</td>
<td>0.44</td>
<td>2.92</td>
</tr>
</tbody>
</table>

According to Table 4, path coefficient value between cultural intelligence and job performance equals 0.44 and the corresponding t value is 1.96 < 2.92, which according to t test with the critical value of 0.05 at the 95% level of confidence, the null hypothesis can be rejected. As a result, the third hypothesis is approved and with the confidence level of 95%, it can be said that there is a significant relationship between cultural intelligence and job performance of the employees.
The fourth hypothesis
4- There is a significant relationship between personality characteristics of employees and their job performance due to cultural intelligence.
H0: There is no significant relationship between personality characteristics of employees and their job performance due to cultural intelligence.
H1: There is a significant relationship between personality characteristics of employees and their job performance due to cultural intelligence.

Table 4: Results of Standard Coefficients and t Statistics

<table>
<thead>
<tr>
<th></th>
<th>Estimated Value</th>
<th>T Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Relationship</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personality Characteristics</td>
<td>0.57</td>
<td>Significant</td>
</tr>
<tr>
<td>Cultural Intelligence</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cultural Intelligence</td>
<td>0.44</td>
<td>Significant</td>
</tr>
<tr>
<td>Job Performance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indirect Relationship</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personality Characteristics</td>
<td>0.57×0.44</td>
<td>Significant</td>
</tr>
<tr>
<td>Job performance</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As is shown in Table (4) the indirect relationship between personality characteristics of employees and their job performance by means of cultural intelligence is examined through the direct impact of the personality characteristics of employees on organizational intelligence. Next the direct impact of organizational intelligence on job performance is analyzed. If the direct impacts are significant and approved, the indirect impact will also be confirmed. According to table (4) the indirect effect of personality characteristics and job performance of employees by means of cultural intelligence equals 0.25.

Research findings and analysis
The results of the first hypothesis indicated that the path coefficient value between personality characteristics of employees and cultural intelligence equals 0.57 and the corresponding t value is 1.96 < 6.15. Hence according to t test with the critical value of 0.05 at 95% level of confidence, the null hypothesis can be rejected. As a result, the first hypothesis of the research is approved, and with the confidence level of 95%, it can be stated that there is a significant relationship between personality characteristics of employees and cultural intelligence.

Results of the second hypothesis showed that the path coefficient value between personality characteristics of employees and their job performance equal 0.55 and the corresponding t value is 1.96 < 4.92. According to t test with the critical value of 0.05 at the 95% level of confidence, the null hypothesis can be rejected. As a result, the second hypothesis of the research is approved and with 95% level of confidence, it can be said that there is a positive relationship between personality characteristics of employees and their job performance.

Results of the third hypothesis showed that the path coefficient value between cultural intelligence and job performance of employees is 0.44 and the corresponding t value amounts to 1.96 < 2.92. Therefore according to t test with the critical value of 0.05 at 95% level of confidence, the null hypothesis can be rejected. As a result, the third hypothesis of the research is
approved and with 95% level of confidence, it can be claimed that there is a positive relationship between cultural intelligence and job performance of employees.

Results of the fourth hypothesis is examined with regard to the information in the table. To determine the intermediary role of cultural intelligence between personality characteristics and job performance, in case the direct impact of cultural intelligence of employees on their cultural intelligence is confirmed, along with the direct impact of cultural intelligence on job performance, the mediatory impact of cultural intelligence between personality characteristics of employees and their job performance will also be approved.

The path coefficient of the variable of personality characteristics of employees on cultural intelligence is 0.57, which is significant with the t value of 6.15, alpha level of 0.05 and confidence level of 0.95. The path coefficient of cultural intelligence variable on job performance is 0.44, and with t value of 2.92 at the alpha level of 0.05 and confidence level of 0.95, this statistic is significant. As a result, the intermediary role of cultural intelligence between personality characteristics of employees and their job performance equals 0.57×0.44= 0.25 and the researcher’s claim is approved.
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