THE INFLUENCE OF CULTURAL INTELLIGENCE AND EMOTIONAL INTELLIGENCE ON NURSES' WORK ENGAGEMENT AMONG MEDICAL TOURISM PROVIDERS IN MALAYSIA: THE MEDIATING ROLE OF EMOTIONAL LABOR AND THE MODERATING ROLE OF SERVICE CLIMATE

BY

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ABSTRACT

Medical tourism is a sunrise industry with huge economic potential. It is a phenomenon which is described as the movement of people from their home country to another destination seeking for healthcare. While economic impact of medical tourism has been well researched, however, less known is the impact of rapid influx of foreign patients on healthcare providers themselves. The nature of medical tourism makes healthcare employees work within an environment that is both physically and emotionally very demanding and can be more challenging within a cross-cultural context due to circumstance of the patients. Realizing the need to support healthcare employees to cope with these challenges, the study aims to formulate an integrated model of employees' work engagement by concurrently investigating a set of capabilities that are noted to impact employee outcomes, namely, cultural intelligence and emotional intelligence. Specifically, this research involves an empirical investigation of the influences of cultural intelligence and emotional intelligence on work engagement directly and indirectly through emotional labour strategies. The role of perceived climate of service as a moderator on the relationships among independent and dependent variables is also examined. The research employed survey questionnaire collected from 315 nurses working with 19 medical tourism providers that were randomly selected. The study used the two factor analysis approaches, exploratory factor analysis (EFA) and confirmatory factor analysis (CFA) to determine the dimensionality and construct validity of cultural intelligence, emotional intelligence, emotional labour and work engagement in such new context. The fourteen hypotheses were examined by employing structural equation modeling (SEM). The study indicated significant positive effects of cultural intelligence and emotional intelligence on work engagement. These relationships are found to be mediated by at least one of the emotional labour strategies. The study also identifies the moderating influence of the degree of perceived service climate in the relationships among emotional intelligence, cultural intelligence and work engagement. The findings provide some important implications towards the current theories, human resource policies and managerial practices. The findings will also provide increased validity for the service providers to design and develop training intervention to increase cultural and emotional management capabilities among employees. This will enable employees to better adjust to a challenging work environment, and thereby provide superior service which complements their technical expertise at work.

خلاصة البحث

يعتبر قطاع السياحة العلاجية من أهم القطاعات التى أضاءت النور حديثا حيث أنها تجلب فوائد اقتصادية هامة للدول. يستخدم مصطلح "السياحة العلاجية" لوصف عملية السفر عبر الحدود الدولية لطلب الرعاية الصحية. بالرغم من أن هناك عدد من البحوث عالجت اثر السياحة العلاجية على اقتصاد الدول، إلا أن أثر التزايد السريع للمرضى الأجانب على مقدمي الرعاية الصحية أنفسهم لم ينل الجانب الكبير من الاهتمام. وكانت طبيعة عمل السياحة العلاجية تجعل موظفي المؤسسات الاستشفائية يعملون في بيئة تتصف بشدة الارهاق الجسدي والعاطفي على حد سواء، وبالاضافة إلى التغير الثقافي الموجود بين العمال والمرضى الذي يمكن أن يخلق تحديا آخر. وبإدراك مدى الحاجة إلى دعم الممرضين لمواجهة هذه التحديات، تهدف الدراسة إلى صياغة نموذج متكامل للارتباط بالعمل من خلال دراسة مجموعة من المهارات والقدرات المعروفة بتأثيرها على نتائج الموظفين في العمل، وهي الذكاء العاطفي والذكاء الثقافي. على وجه الخصوص، هذه الدراسة عبارة عن بحث تجريبي لآثار الذكاء العاطفي والذكاء الثقافي في ارتباط الموظف بالعمل بشكل مباشر وغير مباشر من خلال استراتيجيات العمل العاطفي. كما يتم فحص دور مناخ الخدمة المتصور كوسيط بين العلاقات الموجودة بين المتغيرات المستقلة والمتغيرة. استخدم البحث الاستبيان المسحي الذي تم جمعه من 315 ممرضة يعملون مع 19 من المستشفيات التي تقدم السياحة العلاجية و المختارة عشوائيا. استخدمت الدراسة طريقتي التحليل العاملي، والتحليل عاملي الاستكشافي (EFA) والتحليل العاملي التوكيدي (CFA) لتحديد أبعاد الصلاحية بالنسبة للذكاء العاطفي، والذكاء الثقافي، والعمل العاطفي والارتباط بالعمل في هذا المحيط الجديد. تم اختبار الفرضيات الأربعة عشر من خلال استعمال نمذجة المعادلة الهيكلية (SEM) حيث أشارت الدراسة إلى التاثير الإيجابي الهام للذكاء العاطفي والذكاء الثقافي على الارتباط بالعمل. وكانت واحدة على الأقل من استراتيجيات العمل العاطفي أكدت وظيفتها كمتغير وسيط بين العلاقات الموجودة بين المتغيرات المستقلة والمتغير التابع. حددت الدراسة أيضًا تأثير درجة مناخ الخدمة المتصور كمتغير معدل في العلاقات بين الذكاء العاطفي والذكاء الثقافي والارتباط بالعمل. توفر النتائج بعض الآثار المهمة على النظريات الحالية، وسياسات الموارد البشرية والممارسات الإدارية. ستوفر النتائج أيضًا صلاحية متزايدة لمقدمي الخدمات لتصميم وتطوير طرق تدريبية لتحسين تسيير القدرات الثقافية والعاطفية. وبذلك، سيسمح للموظفين بالتكيف بشكل أفضل مع بيئة عمل مليئة بالتحديات، وبالتالي توفير خدمة فائقة تكمل خبراتهم التقنية في العمل.

APPROVAL PAGE

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DECLARATION

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

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LIST OF ABBREVIATIONS

ACHSI	The Australian Council on Healthcare Standards International
APHM	Association Private Hospitals Malaysia
CFA	Confirmatory Factor Analysis
CQ	Cultural Intelligence
DA	Deep acting
EFA	Exploratory Factor Analysis
EI	Emotional Intelligence
EL	Emotional Labour
ETP	Economic Transformation Programme
IMTJ	International Medical Travel Journal
ITC	International Trade Centre
JCI	Joint Commission International
JD-R	Job Demand-Resource
MHTC	Malaysia Healthcare Travel Council
MI	Modification Index
MOH	Ministry of Health Malaysia
MMC	Malaysian Medical Council
MNCPHT	National Committee for the Promotion of Medical and Health Tourism
MSQH	Malaysian Society for Quality in Health
MT	Medical Tourism
MTI	Medical Tourism Index
MTM	Medical Tourism Magazine
PCA	Principal Components Analysis
POB	Positive Organisational Behaviour
SA	Surface acting
SC	Service Climate
SEM	Structural Equation Modeling
SET	Social Exchange Theory
UWES	Utrecht Work Engagement Scale
WE	Work Engagement
WHO	Ministry of Health Malaysia
WTO	World Tourism Organisation

CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Recently, a number of private healthcare providers in developing nations like Malaysia, Singapore and Thailand are able to match the best medical practices in developed nations (Cortez, 2008; Liu and Chen, 2013). They are not only providing good quality services like them, but they are also able to use high technology and facilities with lower medical costs. These changes create a great receptiveness towards medical tourism, where these healthcare providers seek to attract foreign patients who facing high medical expenses, encounter long waiting period, or poor medical care in their countries (Cortez, 2008; Mainil et al., 2011; Wang, 2012; Rajagopal et al., 2013; Guiry et al., 2013; Adams et al., 2015; Lee and Kim, 2015). However, high quality care in this new emerging industry is no longer just about the medical procedures and treatments provided; non-medical aspects should be considered as well. In a study by Mechinda and Paterson (2011), they gave an example of patients in the hospital were questioned to share their excellent and bad experiences, actually all referred to healthcare employee's behaviour rather than their technical expertise. It is therefore necessary to study how to get the employees' behaviour the organisation want and how to improve it, to enhance services and meet customer' needs and expectations in such context. Thus, this study focuses on human behaviours that showed their importance at workplace.

Understanding the nature of employee engagement and how it is enhanced, especially in healthcare organisation has become a priority for research. For example, in this type of organisations, engagement among healthcare employees playing a crucial

role in shaping the foreign patients' perceptions in the service provided. In this study, healthcare employees (e.g. nurses) are the entity under study, thus, by understanding the perspective and associated needs of healthcare employees working in medical tourism context, researcher can identify the key areas for employee engagement improvement to be able to achieve high service delivery. In spite of the fact that recent research have started to consider different predictors of work engagement (WE) in healthcare setting (e.g. Freeney and Tiernan, 2009; Lawrence, 2011; Setti and Argentero, 2011; Warshawsky et al., 2012; Fiabane et al., 2013; Sohrabizadeh and Sayfouri, 2014; Van Bogaert et al., 2014; Ozer et al., 2017), the influence of personal capabilities on work engagement have been neglected. Previous empirical studies and theories have argued that personal and job resources are also significant motives of how employees be engaged in their work (Xanthopoulou et al., 2013; Bakker and Demerouti, 2014). Thus, this study tries to answer a question many organisations ask today: how to engage employees.

Currently, there has been a big interest in studying WE. Researchers have argued that engaged employees has become a planned goal for a growing number of organisations in many sectors, including healthcare (Bakker and Demerouti, 2014). Lowe (2012) stated that closing the engagement gap must be a priority for healthcare organisations. Although WE has been found to produce better results for organisations, having engaged employees at workplace is not simple task (Saks, 2006; Anaza and Rutherford, 2012). It has been declared that WE is on the decrease among employees today (Anaza et al., 2016; Gallup, 2017). According to Gallup (2016), 87% of employees in the globe are not engaged at workplace. For example, in U.S, 68% of all workforce and 71% of service employees are not engaged or actively disengaged in their job. Besides, employee disengagement costs United States organisations each year

an amount of $450 to 550 billion (Anaza et al., 2016). These findings have created wide interest on the topic.

There are still other features of WE that have not been disclosed, especially in the field of medical tourism. One of the unique patterns that may influence employee engagement is how to deal with emotion in the workplace. Emotion remains one of the important subjects within the social psychology (Hochschild, 1983; Mayer and Salovey, 1990; Gross, 1998), and lately became one of the common subjects in organisational behaviour research, where emotions lie at the core of effective behaviours in organisation (Diefendorff et al., 2011; Grandey, 2015; Grandey and Gabriel, 2015; Newton et al., 2016). For example, current studies have increasingly given attention to the function of emotional intelligence (EI) and emotional labour (EL) in the workplace. These two concepts continue to be as a keyway of understanding how emotions are experienced in different occupations. However, there is very little work has been done examining the performance of EL and EI in cross-cultural context, moreover with consequence of WE. For instance, getting emotional agenda wrong in medical tourism context may costs both healthcare employees and foreign patients. Thus, emotion in this context needs further attention.

Increasingly, the way how employees express their emotions has become a focal area of study. For example, in healthcare context, employees require to control and express the appropriate emotions while delivering service to patients (Mark, 2005; Badolamenti et al., 2017). However, medical tourism context is more challenging as employees must deal with emotions that are coming from multiple sources including their own, foreign patients and relatives, which may create stressful situations for them (Gray, 2009; Diefendorff et al., 2011). According to Green et al. (2017), WE may reflect the complex multiplicity of employees-customer interactions. Interactions that inspired

by positive emotional experiences represent an important aspect of WE. The way how healthcare employees managing and regulating their emotions during the interactions with patients and relatives may lead to successful service delivering, which in turn enhance WE among them.

Moreover, once healthcare employees need to deal with foreign patients, they might experience the threat of miscommunication and conflicts due to cultural differences (Mainil et al., 2011; Liu and Chen, 2013). For instance, differences in cultural norms may create substantial obstacles and leave healthcare employees discouraged about their chance of achieving successful interactions with foreign patients (Rohmetra and Arora, 2015). As organisations becomes diversified and more complicated, employee behaviours getting even more critical as key factors of organisational success. According to Chen and Kao (2014), complex work environment and lack of supports may result in decreasing employee outcomes such as WE and performance. This complexity of work environment requires organisations to go beyond emotional abilities and promote cultural capabilities as significance skills and vital competences of employee's success. Thus, there is a demand for overall cultural familiarity among healthcare employees working in medical tourism providers. This is where the role of cultural competencies such as cultural intelligence (CQ) can be an important factor to act as a facilitator to epitomise the benefits of cultural differences in the international context.

One construct that may be influential for supporting employee outcomes and improve service quality is service climate (SC). If organisation is really committed to delivering high service then they have to create procedures and practices that encourage and reward such service (Schneider et al., 1998; Little and Dean, 2006). Strong SC may guide employees' behaviours in the service process (Hong et al., 2013). Researchers

expected that the better SC in organisation, may lead to high work engagement which in turn enhance employee performance (Salanova et al., 2005; Way et al., 2010; Jiang et al., 2015). Although several studies have begun to demonstrate the importance of this construct, especially in service settings (Steinke, 2008; Mechinda and Patterson, 2011; Mahdian et al., 2013; Chen and Kao, 2014; Chang, 2016), further investigation of the influence of SC should be considered (Lee and Ok, 2015). For instance, present studies on the influence of SC often neglect the moderating role of this construct (Chen and Kao, 2014; Kao et al., 2014; Chang, 2016). Therefore, continued studies on the broader influences of SC can provide new insights on how organisations may create and maintain a high level of competitiveness.

This study attempts to empirically examine the impact of cultural intelligence (CQ) and emotional intelligence (EI) on work engagement (WE) directly and indirectly through emotional labour (EL) strategies. In addition, creating a desirable work environment that support and enhance the performance of these capabilities can help healthcare employees to deliver excellent service to foreign patients. Therefore, it is necessary to identify service climate (SC) as a supportive factor in such context in terms of individual intelligence performance and employee engagement, which may lead to important results about the provision of service in medical tourism providers.

1.2 MEDICAL TOURISM

The rapid change in tourism and healthcare has created a new phenomenon named ‘Medical Tourism’, which refers to the movement of people across international borders seeking for healthcare (Bennie, 2014; Adams et al., 2015; Johnson et al., 2015) while at the same time taking a holiday abroad (Connell, 2006; Bookman and Bookman, 2007:1; Wang, 2012; Mohammed et al., 2012). According to the Medical Tourism

Index's Report (2016), the worldwide revenue from medical tourism has been estimated to be $100 billion in 2015, and it is projected to grow up to 25% year over year for the next 10 years. In addition, around 11 million medical tourists traveled worldwide annually which representing 3% to 4% of the world's population.

In fact, medical tourism is not new phenomenon, but recently has achieved a new attribution. In the one hand, since ancient times, people were travelling overseas in search of increased health. Early civilizations such as Romans, Ancient Greeks and Egyptians have moved from place to another to profit from therapeutic of hot springs and baths (Khan, 2010; Paffhausen et al., 2010; Connell, 2011; Todd, 2011; Bennie, 2014; Manaf et al., 2015). In addition, India has attracted travelers ever since the beginning of yoga, some 5000 years ago (Ranjan Debata et al., 2013). In the other hand, in the late 19th century, wealthy patients from developing countries have long visited United States, Germany, Switzerland, France and Canada for trusted medical care, high quality care, advanced medicine, advanced technology and diagnostic, and treatments not available in their own countries. In recent years, however, the movement of patients has been changing. There has been a latest change in the travelling of patients from developed countries to lower income countries in South and Southeast Asia, Latin America and Eastern Europe (Herrick, 2007; Paffhausen et al., 2010; Connell, 2011; Manaf et al., 2015).

These developing countries have turned into states that delivery medical services to international patients from different nations (Connell, 2011; Botterill et al., 2013; Bennie, 2014). They became an attractive, affordable and preferred global medical tourism destinations. Their governments steer the development and promotion of medical tourism by attracting medical tourists from developed and other low-income countries to contribute to economic growth (Connell, 2011; Lunt et al., 2013). Bookman

and Bookman (2007) further added that medical tourism may present new form of reliance, in which the developed nations may gradually lean on the medical care of developing countries and relieve the pressures on their health systems. Consequently, the estimate of medical tourists from the developed countries show a rapid growth and forecasts predict an even faster expansion in the future (Cohen, 2010). For example, in 2007, 750,000 Americans crossed into other countries for healthcare, with sustainable yearly growth of 35% (Deloitte, 2008). Furthermore, according to study conducted by Fraser Research Institute (2017), the number of Canadian patients who went abroad in 2015 to receive medical procedures increased 9% to reach 45,619 travelers, from 41,838 travelers in 2013.

This industry will continue to grow in response to many reasons such as the crisis in western health systems and the growing demand for elective treatments such as cosmetic and dental surgeries which not covered from insurance companies (Khan, 2010; Paffhausen et al., 2010; Connell, 2011; Todd, 2011; Ranjan Debata et al., 2013; Bennie, 2014; Manaf et al., 2015). Furthermore, a major motive to medical tourism would take place if health insurance organisations include the option of treatment abroad within their plans (Cohen, 2010; Enderwick and Nagar, 2011). In addition, Mainil et al. (2011) expressed that the growing number of ageing baby boomers who own more free time and funds to take good care of their health is an important driver of medical tourism market. It was estimated that the number of people aged more than 65 will be more than 700 million in 2019 (United Nations, 2019). Other driver of the growth of the medical tourism market is that, some major employers are looking at the option of treatment abroad. These companies began offering the option for their employees to go abroad for cheaper medical procedures with the goal of reducing cost

(Enderwick and Nagar, 2011). Thus, it is expected that the movement of people who seek medical care overseas will be high in the future.

Governments of medical tourism destinations are performing a strong job in the growing and emerging of medical tourism industry. They make great efforts trying to export their healthcare services to international patients (Cortez, 2008; Paffhausen et al., 2010; Pocock and Phua, 2011; Wang, 2012; Sharma, 2013), which may bring many benefits for their economics (Paffhausen et al., 2010; Hall, 2011; Sharma, 2013). As a result, a number of other players have appeared to steer the growth of the medical tourism industry. These stakeholders including facilitators, accreditation and credentialing bodies, promotion and marketing practices, insurance providers, and infrastructure and facilities (Kamassi et al., 2020). They are the main components in medical tourist's decision-making process (see Figure 1.1 below).

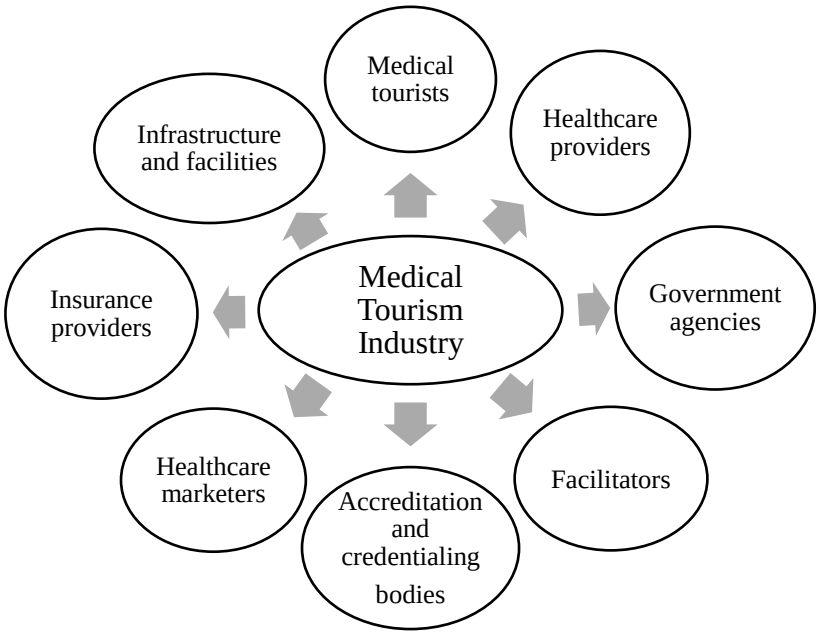

Figure 1.1 Medical Tourism Industry
Source: Kamassi et al. (2020)