

# Analytical study on impact of Organisational Citizenship Behaviour on Retention of employees working in IT industry

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**Abstract:** *The purpose of this study is to examine the relationship between organisational citizenship behaviour and retention of employees working in IT industry. with a view to determining the extent to which these variables are related a survey was conducted on 456 employees working in IT industry. The study indicates that there is relationship between OCB and employee retention in IT industry. Regression analysis suggests that there is significant and positive relationship between organisational citizenship behaviour and retention of employees working in IT industry.*

**Keywords:** Employee Retention, Organisational Citizenship Behaviour, IT Industry

**1. Introduction:** It is suggested from various Human resource management and Organization Behaviour theories that effective and efficient outcomes to the organizations is possible only through proper utilization of the resources. Human being, yet undiscovered being and the most complex creature of all. Human being are always interesting subject for research, its efficacy increase to know about its behaviour. Huge contributions are made by Management sciences to understand human behaviour. But that's not enough to understand, especially in the current environment where past methods for organization evaluation and prediction for future have expired. And world is going in global scenario. In this scenario, organisations expect to do best with minimum utilisation of available resources and also expect an efficient performance which give job satisfaction and loyalty, which can only be achieved through organisation citizenship behaviour (Min-Huie 2009). OCBs yield significantly higher outcomes in the long term than in the short term for the organization (Daniels et al. 2006). The importance of OCB can be realized by the argument of Koys (2001) who suggests; Organizational citizenship behavior had an impact on profitability but not on customer satisfaction. Also (Shapiro et al. 2004) individuals engage in OCB as a form of reciprocity based on organizational treatment.

**2. Employee Retention:** Employee retention has the attention of top-level managers in today's organizations because the personal and organizational costs of leaving a job are very high (Mitchell, Holtom, Lee, Sablinski, & Erez, 2001). It is a business management term which refers to the efforts made by employers to retain employees in their workforce. Little number of studies (Meyer, Ristow, & Lie, 2007;

Podsakoff & Mackenzie, 1997) revealed that OCB dimensions like altruism and sportsmanship improve organizational capacity to attract and retain best employees. Retention has a direct and casual relationship with employee's needs and motivation. Employees with altruism behaviour help each other in the organization which leads to healthy interpersonal relationship among employees. This results in a healthy work environment and positive work climate. Employees with this type of working environment rarely wish to leave the organization. Sportsmanship and courtesy also creates a positive working environment where employees rarely complain about the inconveniencies faced by them and reduce work related conflicts of other employees. All these extra role behaviours of employees make the workplace the best place to work for and help in employee retention.

**3. Research Methodology:** The main objective of this study is to examine the influence of OCB on employee retention and for this purpose the data was collected through structured questionnaire collected from employees working in IT industry. The 5 point Likert's scale is used to collect the responses where every Likert's item is provided the given weights: 1-Strongly agree, 2-Agree,3-Neither agree nor disagree and 4- Disagree.

### 3.1 Hypothesis:

*H<sub>0</sub>: There is no significant relationship between organisational citizenship behaviour and Employee retention.*

*H<sub>1</sub>: There is positive relationship between organisational citizenship and employee retention.*

**4. Data Analysis and Results:** In this research, an attempt is made to study the impact of organisational citizenship behaviour on retention of employees working in IT industry. For this purpose, a survey was conducted on 456 employees working in different IT companies. In the survey structured questions were asked in two parts. First part consists of factors representing organisational citizenship behaviour and second part consist of factors representing employee retention strategy. These respondents were asked to give responses on 5 point likert scale. The mean value and the standard deviation of the responses received on organisational citizenship behaviour is as follows:

#### 4.1 Organisational Citizenship Behaviour

Factors	Mean	Std. Deviation
I help others who have heavy workloads	2.2500	.97609
I am always ready to lend a helping hand to those around me.	2.7632	.83392
I help others who have been absent.	1.4737	.64906
I am willing to help others who have work-related problems.	2.7434	.69374
I help orient new people even though it is not required	2.5329	.72553

I am one of the most conscientious employees	2.3355	1.07075
I believe in giving an honest day's work for an honest day's pay.	3.0658	1.01854
My attendance at work is above the norm.	3.8816	.34324
I do not take extra breaks.	4.1776	.69947
I do not take extra breaks.	4.1842	.69302
I am the classic "squeaky wheel" that always needs greasing	1.3421	.58672
I consume a lot of time complaining about trivial matters.	1.4408	.66696
I tend to make "Mountains out of molehills	2.2303	.85526
I always focus on what's wrong, rather than the positive side.	1.8684	.79297
I always find fault with what the organization is doing	2.8684	1.36688
I try to avoid creating problems for co-workers.	3.5461	.71565
I consider the impact of my actions on co-workers	4.4868	.52607
I do not abuse the rights of others.	4.3750	.62700
I take steps to try to prevent problems with other workers.	4.0592	.75506
I am mindful of how my behaviour affects other people's jobs	4.3158	.59026
I keep myself abreast of changes in the organization.	4.2039	.69224
I attend meetings that are not mandatory but are considered important.	4.5724	.49528
I attend functions that are not required but help the company image.	3.9539	.83867
I read and keep up with organization announcements, memos and so on.	3.5592	.90226

The above table shows that in most of the cases the respondents consider organizational citizenship behaviour as most important factor that leads to job satisfaction since the mean values of most of the factors is ranging between 2.5 to 4.6.

Further, the mean values of the responses received on factors representing employee retention strategy is as follows:

#### 4.2 Employee Retention Strategies

Factors	Mean	Std. Deviation
Salary and monetary compensation	3.9342	.24819
Leave benefits (including vacation, sick, maternity, etc. leave)	4.9211	.26995
Retirement plan	4.9211	.26995
Health and other benefits (health insurance, funeral, etc.	3.3026	.57462
Employee assistance program	3.6250	.48465
Promotion	4.9211	.26995
Job security	4.9211	.26995

Effective performance appraisal system	4.9211	.26995
Good safety measures	3.0000	0.00000
Alternative Work Schedule	3.0000	0.00000
Health and related benefits	3.9342	.24819
Wellness Programs	3.0000	0.00000
Mentoring and coaching	3.0000	0.00000
Retirement plan	4.9211	.26995
Help with career planning	3.0066	.08093
Rewards and recognition	3.9342	.24819
Salary compensation	3.9342	.24819
Education and training opportunities	3.9342	.24819
Annual Performance Appraisal	3.9342	.24819

The above table shows that in most of the cases the respondents consider organizational citizenship behaviour as most important factor that leads to employee retention since the mean values of most of the factors is ranging between 2.5 to 4.6.

To study the relationship between organizational citizenship behaviour and employee retention, a linear regression analysis is applied taking mean of all the factors representing employee retention as dependent factor and mean values of factors representing organisational citizenship behaviour as independent factor where following results were obtained:

#### 4.3 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.734 <sup>a</sup>	.621	.601	.03049

**F Value = 0.530; Sig. = 0.047**

a. Predictors: (Constant), Mean OCB

From the above table the R square value is .621 and adjusted R square value is .601 and this enlighten us that the model account for 60.1% of variance in the present study. This is the clear indication that this model is a strong model. Also the R value is 0.734 which states that there is a strong relationship between employee retention due to organisational citizenship behaviour. Also the F value is 0.530 and the significance is .047. As the significance is less than .05. It clearly reveals the fact that the model which is taken for study is statistically significant. Hence the hypothesis i.e. There is insignificant relationship between organisational citizenship behaviour and employee retention is **rejected**.

**5. Conclusion:** This paper studies relationship between organizational citizenship behaviours and retention strategy of employee working in IT industries by the method of sampling survey. Here,

organizational citizen behaviour is taken as explaining variables, and the employee retention as explained variables. It was found from the regression analysis that organizational citizenship behaviour has significant and positive impact on the retention of the employees working in IT industry.

## 6. References

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