The Antecedents and Consequences of Organizational Citizenship Behavior (OCB): An Empirical Study in Banking Industry

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Abstract: Organizational Citizenship Behavior (OCB) Measurement is one of the most popular terms in today’s business. The idea of managing OCB is being widely accepted and adopted all over the world. It started expanding widely from the private sector to the public sector internationally and found its way in recent years in many developing countries. OCB is usually evaluated with monetary indicators such as profit per share or return on investment. This restriction of criteria to figure out organizational efficacy is, in fact, a phenomenon of range constraint having consequences on the way executives categorize their task and administer people in organizations. This paper, argues that the greater the range among the performance criteria, the greater the worth of the work experience. The aim of the study is to find the antecedents and consequences of organizational citizenship behavior and find the relationship between these three variables at end of the factors affecting OCB also determined.

The results of the study show that there is a positive and significant impact of the antecedents and consequences of organizational citizenship behavior.

Keywords: Employee commitment, Job satisfaction, OCB, Organizational performance.

I. INTRODUCTION:

For the last two decades, Organizational Citizenship Behavior (OCB) has been a major construct in the fields of psychology and management; thus, it has received a great deal of attention in the literature (Niehoff & Moorman, 1993)¹ (Bateman & Organ, 1983)². Organ (1988)³ has argued that OCB is a vital factor that contributes to the endurance of an organization. (Tang & Ibrahim, 1998)⁴ have found that employee satisfaction, organizational commitment, organizational justice, career development, age, tenure, personality, motivation, leadership and leadership behavior all impact and affect citizenship behavior within an organization. Determining how OCB contributes indirectly to an organization through the organization’s social system has been of increasing interest to both scholars and managers. Thus employees who engage in citizenship behavior are expected to have higher levels of job motivation and job satisfaction than employees who do not. Moreover, it is found that increased levels of OCB results in enlarged production and as a result, higher profits. Despite the growing interest in OCB, most researches have focused on a limited range of possible antecedents. Organ and Ryan (1995)⁵ carried out a meta-analytic review of 55 OCB studies. Their review aimed at job attitudes such as justice, leadership consideration, organizational commitment, and personality variables. Some studies have concluded that the aspect of job attitude, job satisfaction, is a good predictor of employee performance. Unfortunately, industrial and organizational psychologists have not found strong empirical evidence to support and satisfaction productivity relationship.

II. NEED FOR THE STUDY

For the last two decades, organizational citizenship behavior (OCB) has been a major construct in the fields of psychology and management; thus, it has received a great deal of attention in the literature (Podsakoff, Mackenzie, Paine, & Bacharach, 2000)⁶. Industrial and organizational psychologists have not contributed many empirical pieces of evidence that support the relationship between job satisfaction and productivity. Although job satisfaction has been examined by researchers interested in task performance (Schwab & Cummings, 1970)⁷, little is known about the antecedents of OCB and its consequences in banking industry. Therefore, this study was designed to measure the antecedent’s dimensions of OCB and its consequences among employees in the banking industry.

III. STATEMENT OF THE PROBLEM

The banking industry has made a quantum increment into a novel and erratic condition, sorted by deregulation, globalization, innovative products, development in technology and strenuous competition. This modification has shaped the potential for increase. The banking segments function has increased the economic conditions through monetary intermediation is
extensive. This gives more importance to the service sector and particularly the banking and financial area in the economies of India. The banking sector has a positive effect on the future development of the Nation. There was a remarkable growth in number and diversity of financial institutions especially after initial naturalization banks in 1969. The professional world is progressing towards high performance, effective organizations, and management that grant a high degree of job satisfaction to employees. The human resources in the banking industry and their mindset towards their organization have a significant influence on their performance and organization. The duty of the bank is not why providing job satisfaction among the employees but also the creation of OCB among them in order to make the bank more competitive. It requires more human capital and a thorough understanding of human capital and a thorough understanding of human resources at the banks. Hence, the present study has made on this aspect.

IV. LITERATURE REVIEW

Some of the works of literature related to the study are discussed below:

Rego and Cunha⁸, evaluated the effectiveness of OCB in insurance companies. They found that there is a significant impact of OCB on the performance of insurance companies which is higher in the private sector than in the public sector.

Graham⁹, findings stated that employees should have the responsibility to be a good citizen of the organization.

Podsakoff⁶ et al., stated that behaviours reflect an employees’ acknowledgment of being part of an association and recognize the responsibilities which necessitate as a result of being the citizen of the organization

Farh, Zhong, Organ¹⁰, has discussed five comprehensive elements of OCB viz. social welfare participation, self-training, protecting, keeping the workplace clean, saving company resources, and interpersonal harmony.

V. RESEARCH GAP

Even though there are so many studies related to the organizational citizenship behavior and its consequences at various antecedents and consequences of OCB among the employees of the banking he present study has made an attempt to fill up the research gap with the help of the proposed research model.

VI. PROPOSED RESEARCH MODEL

The proposed research model of the present study is given below:

Figure 1 – Proposed Model

VII. OBJECTIVES OF THE STUDY

The study is conducted with the following objectives:

➢ To analyze the influence of the socio economic profile of the respondents on Organizational Citizenship Behavior

➢ To analyze the effectiveness factors affecting Organizational Citizenship Behavior among bank executives.

➢ To examine the various consequences of OCB among the employees.

VIII. HYPOTHESES OF THE STUDY

Based on the objectives of the study, the hypotheses are drawn and shown below:
1. There is an association between the profile of employees and their view on various antecedents of OCB, level of OCB and various consequences of OCB.
2. There is no significant difference among the employees in private and public sector banks regarding their level, and view on OCB, antecedents of OCB and consequences of OCB.
3. There is no significant impact of various components of OCB on its consequences.

IX. RESEARCH METHODOLOGY

The research methodology includes the research design, population and sampling plan, collection of data, instrument development, and framework of analysis and limitations of the study.

9.1 Research Design

The applied research design of the present study is in descriptive nature service the objectives and methodology of the present study is predetermined. Apart from this, the present study focuses on the background of the employees their view on antecedents, components, and consequence of their organizational citizenship behavior. The impact of antecedents of OCB on the level of OCB among the employees and the impact of OCB on the consequences of OCB are evaluated in the present study. Hence, the present study is purely descriptive and diagnostic in nature.

9.2 Study Population

The research targets to select employees of the banking sector in Coimbatore city. The banking sector considered for this study are HDFC, ICICI, and AXIS, from the three major private banks sector, have been selected. Based on the top ten private banks in Coimbatore report from the Reserve bank of India report on 2018. Among these elected three it professional those who are having more than five years of experience have been considered as a respondent.

9.3 Study area

Coimbatore district was selected as the locale of the study (figure 3) owing to the reason that it is one among the industrially developed and commercially vibrant districts of Tamil Nadu. Coimbatore city is identified as one of the fast developing metros of India. The city is endowed with a large number of engineering goods, textiles, foundries, agro-based industries, and educational institutions. The Coimbatore district is popularly known as Manchester of South India.

9.4 Sampling Technique/ Sample frame work

The researcher has chosen non-probability sampling technique - Judgmental)

9.5 Sample size

The researcher has selected Sample size of 200 employees working in private sector banks.

9.6 Data Collection

The research used both primary and secondary data for this research. Data were collected through structured questionnaire. The questionnaires on 5-point (Likert) scale were selected to evaluate OCB, antecedents, and consequence. The research used SPSS software for analysis of data.

9.7 Statistical Tools Used

The researcher has used statistical tools to measure the sample characteristics, mean, median, mode, and standard deviation. Linear regression model was applied in this research to measure the relationship between dependent, independent variables.

9.8 Data Analysis and Interpretation

Table 1:

The following table shows the distribution of employees on the basis of their designation:

Table 1: Distribution of Employees on the basis of their Designation
It is observed that 167 employees are working at the supervisor/clerks level at the banks is followed by Assistant Manager which constitute 34.26 percent to the total. The analysis reveals that the important designation of the employees is supervisors / clerks.

Table 2: Level of Personality Factors among Employees

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Personality Factors</th>
<th>Mean scores among Banks Employees</th>
<th>‘t’ Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Extra Version</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Sociability</td>
<td>3.7996</td>
<td>2.6673*</td>
</tr>
<tr>
<td>2</td>
<td>Gregarious</td>
<td>3.8117</td>
<td>2.7117*</td>
</tr>
<tr>
<td>3</td>
<td>Assertiveness</td>
<td>3.8224</td>
<td>2.5606*</td>
</tr>
<tr>
<td>4</td>
<td>Talk activeness</td>
<td>3.8089</td>
<td>2.0804*</td>
</tr>
<tr>
<td>5</td>
<td>Activeness</td>
<td>3.8496</td>
<td>2.4971</td>
</tr>
<tr>
<td>1</td>
<td>Emotional Stability</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Free from Anxious</td>
<td>3.7172</td>
<td>2.5884*</td>
</tr>
<tr>
<td>2</td>
<td>Free from depressive</td>
<td>3.8089</td>
<td>2.7310*</td>
</tr>
<tr>
<td>3</td>
<td>Free from angry</td>
<td>3.8211</td>
<td>2.7909</td>
</tr>
<tr>
<td>4</td>
<td>Free from embarrassed</td>
<td>3.8943</td>
<td>2.5887*</td>
</tr>
<tr>
<td>5</td>
<td>Free from insecurity</td>
<td>3.8117</td>
<td>2.5099*</td>
</tr>
<tr>
<td>6</td>
<td>Free from worried</td>
<td>3.7908</td>
<td>2.5141*</td>
</tr>
</tbody>
</table>

* Significant at five percent level.

The highly viewed variables in extraversion factor by the employees in private and public sector banks are activeness since its mean scores are 3.8496 and 3.4092 respectively regarding the level of view on variables in extraversion, the significant difference among the employees have been noticed in their view on all five variables since their respective ‘t’ statistics are significant at five percent level.

Table 3: Significantly associating profile variables regarding the level of inter-personal harmony are age, education level, years of experience, monthly income, and family income whereas in the case of level of organizational obedience, these profile variables are age, education level, years of experience, occupational background, monthly income and family income. The significantly associating profile variables regarding the level of task ‘imitativeness’ are age, education level, years of experience, occupational background, monthly income and family income. The significantly associating profile variables regarding their level on protecting company are designation, monthly income and family income since their respective ‘F’ statistics are significant at five percent level.

Source: Primary data.
The following table shows the results of one way analysis variance of demographic variables:

<table>
<thead>
<tr>
<th>Demographic variables / Factors</th>
<th>Inter – Personal Harmony</th>
<th>Organizational Obedience</th>
<th>Task Imitativeness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Designation</td>
<td>2.2446</td>
<td>3.8919*</td>
<td>2.6083</td>
</tr>
<tr>
<td>Age</td>
<td>3.5919*</td>
<td>2.2089*</td>
<td>3.1944*</td>
</tr>
<tr>
<td>Nativity</td>
<td>3.1173</td>
<td>3.3997</td>
<td>3.8088</td>
</tr>
<tr>
<td>Marital status</td>
<td>3.3077</td>
<td>3.4493</td>
<td>3.7224</td>
</tr>
<tr>
<td>Social class</td>
<td>2.6541</td>
<td>2.8086</td>
<td>2.8973</td>
</tr>
<tr>
<td>Education level</td>
<td>3.3667*</td>
<td>3.6089*</td>
<td>3.5117*</td>
</tr>
<tr>
<td>Type of family</td>
<td>3.2312</td>
<td>3.6693</td>
<td>3.7089</td>
</tr>
<tr>
<td>Size of family</td>
<td>2.4997</td>
<td>2.5969</td>
<td>2.7363</td>
</tr>
<tr>
<td>Years of experience</td>
<td>3.5969*</td>
<td>3.9604*</td>
<td>3.3174*</td>
</tr>
<tr>
<td>Occupational background</td>
<td>2.6673</td>
<td>2.5886*</td>
<td>3.0899*</td>
</tr>
<tr>
<td>Monthly income</td>
<td>3.5174*</td>
<td>3.4991*</td>
<td>3.6884*</td>
</tr>
<tr>
<td>No. of earning members per family</td>
<td>3.1997</td>
<td>3.2626</td>
<td>3.2419</td>
</tr>
<tr>
<td>Spouse’s education</td>
<td>3.0897</td>
<td>3.3887</td>
<td>3.2996</td>
</tr>
<tr>
<td>Family income</td>
<td>3.6336*</td>
<td>3.4117*</td>
<td>3.9084*</td>
</tr>
</tbody>
</table>

F-statistics in Banks

Significant at five per cent level.

Table 4:

The significant mean differences have been noticed in the case of all consequences of OCB except organizational virtuousness since its ‘t’ statistics is not significant at five percent level. The higher mean differences are noticed in the case of service quality and organizational learning since its mean difference is 0.6076 and 0.6033 respectively. The higher discriminate power has been noticed in the case of strategic resonance and organizational commitment since its Wilks Lambda is 0.1024 and 0.1153 respectively. The significant consequence of OCB has been included for the estimation of the two groups discriminate analysis. The unstandardized procedure has been followed to estimate it. The estimated function is:

\[ Z = 0.6941 + 0.1494 X_1 + 0.1999 X_2 + 0.1687 X_4 + 0.1534 X_5 + 0.1983 X_6 + 0.1241 X_7 \]

The relative contribution of the consequence of OCB in the total discriminate score is computed by the product of discriminate co-efficient and the mean differences of the respective OCB. The following table shows the Mean Difference and Discriminate Power of Consequence of OCBs among Employees in Banks:
Table 4: Mean Difference and Discriminate Power of Consequence of OCBs among Employees in Banks

<table>
<thead>
<tr>
<th>Consequences/Factors</th>
<th>Mean scores among Employees</th>
<th>Mean Df</th>
<th>‘t’ Value</th>
<th>Wilk’s Lambda</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees engagement</td>
<td>3.727</td>
<td>3.191</td>
<td>0.5347</td>
<td>2.7449*</td>
</tr>
<tr>
<td>Strategic resonance</td>
<td>3.774</td>
<td>3.222</td>
<td>0.5473</td>
<td>2.6097*</td>
</tr>
<tr>
<td>Organizational virtue</td>
<td>3.535</td>
<td>3.406</td>
<td>0.1283</td>
<td>0.1908</td>
</tr>
<tr>
<td>Organizational commit</td>
<td>3.717</td>
<td>3.172</td>
<td>0.5449</td>
<td>2.6664*</td>
</tr>
<tr>
<td>Organizational learn</td>
<td>3.785</td>
<td>3.182</td>
<td>0.6033</td>
<td>2.7979*</td>
</tr>
<tr>
<td>Service quality</td>
<td>3.808</td>
<td>3.201</td>
<td>0.6076</td>
<td>2.6178*</td>
</tr>
</tbody>
</table>

*Significant at five per cent level.

X. FINDINGS OF THE STUDY

It is found that there is a positive significant relationship between the variables of organizational Citizen Behavior and antecedents and consequences which shows that at 0.994 level when a correlation value of – 0.03.

Organizational Citizenship behavior has a positive significant relationship with antecedents with the correlation value is 0.174 at 0.05 Significant level.

Organizational Citizenship behavior has also a positive significant relationship with the correlation value 0.070 at .490 significant levels.

A one unit dependent variable may cause a change in the independent variable. The R values and table value is 4.1 and 0.645. This value indicates that there is almost 60% variation.

Organizational citizenship and antecedents’ due to one unit change from the R value is 2.530, which show that there is almost 60% total variation OCB to OCB Consequences.

The demographic factors such as gender, age, marital status, income, education and source of information is taken and using mean table and analysis of variance, the difference is analyzed for weighted service quality and found that there is significant difference is found. The null hypothesis framed is accepted.

It is found that there is significant correlation between OCB dimensions. The correlation analysis shows positive correlation between the OCB dimensions, from this we find that the null hypothesis framed is rejected. It is found that there is significant influence between correlation OCB and internal factors dimensions and the respective constructs. The analysis shows that there is significant influence of the dimensions towards the factors, thus the null hypothesis framed is rejected.

XI. SUGGESTIONS

From the analysis it is proved that OCB, impact of antecedents significant relationship with OCB. Organization should be responsible to give benefits and incentive to their employees so that they can improve their behavior and will be loyal to their organizations.

The findings of the study reveal that there is a significant impact of OCB. The two hypotheses have been accepted in this study that there is a positive relationship between OCB, antecedents on and Consequences.

XII. CONCLUSION

The consequences of OCB are also higher among the employees in private sector banks. The significantly and positively influencing components of OCB on the consequences of OCB among the employees are organizational loyalty, task imitativeness and functional participation. The higher impacts are seen among the employees in private sector banks compared to the employees in public sector banks. The study reveals the importance of OCB in the organizational performance at the banking sector.
XIII. REFERENCES:


