



# Leadership Style as A Mediating Mechanism Between Organizational Citizenship Behaviour and Employee Performance: Evidence from automobile industries in Pune City

**Mr. Mahesh Bhagat<sup>1\*</sup>**

<sup>1</sup>Assistant Professor, Department of MBA (HR), Indira Global School of Business, Pune,  
Maharashtra, India

**Dr. Kalpana Lodha<sup>2</sup>**

<sup>2</sup>Associate Professor, Department of MBA (HR), PVG's College of Engineering and Technology and  
GKP Women's Institute of Management, Pune, Maharashtra, India

## ABSTRACT

This study investigates leadership style's role as a mediating mechanism in the relationship between Organizational Citizenship Behaviour (OCB) and employee performance (EP) in the automobile industry of Pune. The aim of the study is to understand the effect of OCB on EP and to measure the role of leadership style as a mediator in this effect. A quantitative cross-sectional survey was carried out with employees of a few automobile companies in Pune, and structured Likert-scale questionnaires were used to measure OCB, leadership style, and performance indicators. Descriptive statistics, reliability and validity tests and mediation analysis were used in examining the relationships between the variables. The results indicate that OCB has a strong positive impact on employee performance, and leadership style plays a significant role in this relationship by making it easier for employees to perform better through their discretionary behaviours. The research emphasizes the importance of transformational and supportive leadership in creating a workforce that is both productive and engaged. Managers in the automobile industry can use the results as a basis for developing practical strategies for harnessing OCB and promoting effective leadership practices in order to enhance organizational performance.

**Keywords:** Leadership Style; organizational citizenship behaviour (OCB); Employee Performance.

## INTRODUCTION

Human resources are the key players in the fulfillment of organizational goals since the longevity and prosperity of an organization depend mostly on employees who are loyal and committed to it to the extent of showing it. Such commitment is seen in the employees' attitudes and behaviours at the workplace. Positive employee behaviour not only contributes to individual performance but also to the performance of the organization as a whole which in turn, develops the organization in the long run. OCB is one of the positive employee behaviours that greatly contribute to the organizational effectiveness. OCB is the term for the discretionary and voluntary behaviours of employees that are not officially identified or directly rewarded but still significantly contribute to the organization's proper functioning. These behaviours are over and above the job roles prescribed and they provide support to the company's operations in indirect yet vital ways. The notion of OCB was first introduced in organizational research during the early 1980s and has since then been acknowledged as a key factor to organizational effectiveness. Asbari et al. (2021) describe OCB as individual contributions that exceed formal role requirements in the workplace. Similarly, Hutagalung et al. (2020) define OCB as voluntary behavior not part of an employee's formal job obligations yet supports the organization's efficient functioning. Lusiani et al. (2020) further emphasize that OCB represents independent employee behavior that is not explicitly linked to the formal reward system, yet enhances organizational effectiveness.

Essentially, OCB refers to behaviours that are not only beyond the bounds of the contract but are also not prompted by hopes for cash or bonus rewards. Instead, these behaviours are driven by social factors and show the willingness of an employee to give more than what is required. Helping colleagues during breaks or out of regular hours without being asked is just one of the many actions that fall under OCB. These informal behaviours, although not specified in the job description,

still have significant impacts on the organizational performance of a firm as well as the creation of a friendly and cooperative work atmosphere.

OCB is an accepted universal condition of employee performance. Nonetheless, the automobile industry in Pune, India, is still an unexplored area where the ways of translating OCB into enhanced performance of the employee have not yet been looked into. Lack of empirical evidence showing the mediating leadership style role in the relationship across OCB and EP as well as the moderating effect of job satisfaction in a manufacturing-driven work environment is an area that still requires much research. The lack of a comprehensive understanding of these factors limits the development of context-specific and actionable managerial strategies to enhance OCB and improve the performance of employees through effective leadership practices. A systematic empirical investigation will, therefore, be required to bring these insights and limitations to light that are consistent with the unique organizational and operational characteristics of Pune's automobile industry.

Here are the objectives carried in the study:

1. To analyse the bearing of OCB on EP in the automobile industry of Pune.
2. To evaluate the mediating role of leadership style in the relationship between OCB and EP.

This work contributes to the existing body of literature by offering a focused empirical examination of the relationship between OCB and EP in the automobile industry of Pune. The study gives contextual evidence that has been restricted in previous research by analyzing the direct impact of OCB on employee performance in a certain industry and area. Besides, the study has implemented leadership style as a mediating variable which, in turn, reveals the underlying mechanism of OCB turning into better employee performance outcomes. This mediation-based approach has developed existing research by showing how leaders' actions influence the effectiveness of voluntary employee behaviours. The study, on the other hand, enriches theoretical understanding by merging behavioural and leadership perspectives, where it gives managers and HR professionals practical insights on the importance of encouraging citizenship behaviours and effective leadership styles to boost employee performance in the automobile industry.

## LITERATURE REVIEW & HYPOTHESES DEVELOPMENT

### Organizational citizenship behaviour and employee performance

Rahim (2021) focused on the application of information systems and employee education as two main aspects in the performance enhancement and cyber threats the organization could face. He was pleased as his findings indicated that information systems properly developed along with uninterrupted training would not only help under the creation of a secure and efficient work environment, but would also lead to the emergence of proactive employee behaviors like OCB in both the public and private sectors.

Kumari and Thapliyal (2017) were also looking at OCB but through the lens of organizational effectiveness and found out that the association was quite strong and positive among different OCB dimensions like altruism, conscientiousness, sportsmanship, civic virtue, and courtesy. Their interpretation implies that increasing OCB in the staff ranks of an organization not only results but also enhances the competitive advantage and strengthens the performance of the organization.

Sharma (2013) looked at the issue from a higher macro-level perspective by questioning the impacts of environmental and leadership factors on economic growth nationally. His findings more or less indicated that although there may be some similarities in the environments, the economic performance of China is much greater than that of India primarily because the latter has weaker leadership. Thus, the findings pointed out the importance of leadership, especially that of the political kind, and the ideology embraced as the main factor of growth among the various environmental determinants.

Malik et al. (2012) investigated the link between compensation, affective commitment, and OCB, concluding that fair and adequate compensation strengthens emotional commitment, which in turn encourages discretionary behaviours such as OCB. The study underscores the role of organizational justice and equitable reward systems in motivating employees and improving organizational efficiency.

In a related study, Malik et al. (2012) further explored how organizational justice and perceived organizational support influence OCB. Their findings indicate that organizational justice mediates employees' perceptions of organizational support; when employees perceive fairness in reward distribution, resource allocation, and choice-making, they feel more supported and are more likely to engage in citizenship behaviours like helping co-workers, participating in teams, along with volunteering for additional responsibilities.

Based upon the hypothesis research proposed below two hypotheses

**H<sub>A1</sub>:** OCB has a significant positive bearing on EP inside the automobile industry of Pune.

### Role of Leadership style in OCB and employee performance

The company aspires to establish itself as a leader in delivering high-standard products and services within the agricultural sector, with a mission to broaden consumer access and benefits. The organization has been successful in carrying out its mission during the post-pandemic "new normal" period by facing and overcoming significant internal challenges particularly in human resource management. These human resource management issues highlight the importance of having a leading style that is highly effective and can keep the workforce productive, committed, and in line with the organizational (Shah et al., 2023) goals.

Transformational leadership is the one that best fits and is the most useful in this situation since it drives and energizes the workforce to a degree where they accomplish organizational goals which are even higher than individual motives (Bass, 1990). The transformational leader concentrates on the long-term relationship with his/her subordinates, granting them lots of freedom for intellectual pursuits, and he/she is individually very experienced with each employee's personality, needs, and strengths. As a result, the employees and the whole organization get trained and take the resilience needed in a changing and uncertain environment (Alhitmi et al., 2023). Based on the above, it can be stated that if an organization has a transformational leader, such an organization will be able to navigate through the fluctuating situation while still keeping its workforce engaged.

The issue of leadership was joined by that of employee agility which has become progressively more important in the quick response to changes in work environments. Employee agility is the capacity to adapt, keep learning, and change one's contributions to suit the organization. In the fast-moving and changing organizational context, the speed and correctness of the employees' adaptation are things that significantly affect the performance results. Also, organizations that are agile require only work structures that are supporting, collaborative systems, and leaders who are open-minded and demonstrate flexibility and responsiveness in their choice-making processes (Grass et al., 2020).

Nonetheless, the organization has gone through a number of difficulties concerning the effectiveness of leadership, adaptability of employees, and performance. Employee morale and work efficiency were negatively affected by the changes in work systems due to the pandemic, and concerns were raised about role overload, additional hours without proper compensation, and the team being less cohesive. The rise of cliques in the workplace further hindered cooperation and the quality of the team, especially in the more interdependent tasks (Ahmad et al., 2021). The turbulent leadership situations at the organization were also pointed out as one of the factors resulting in the decline of employee performance, thus, the leadership's ability to keep the motivation and stability of the organization was stressed as the main issue.

The role of the leadership style besides, Organizational Citizenship Behavior (OCB) is another factor that significantly determines the level of employees' performance (Islam et al., 2014). OCB describes those voluntary behaviours that are not explicitly mentioned in the job description but are still beneficial to the functioning of the organization. OCB is the behaviour of the employee who is helping others (altruism), being polite (courtesy), having a positive attitude towards the challenges at work (sportsmanship), caring for the organization's good (civic virtue), as well as being responsible and disciplined (conscientiousness). All these types of behaviours together create the environment of cooperation and support at work which results in the performance of both individuals and groups being increased (Chiaburu & Harrison, 2008).

Based upon the hypothesis research proposed below two hypotheses:

**H<sub>A2</sub>:** Leadership style significantly mediates the relationship between OCB and EP in the automobile industry of Pune.

## METHODOLOGY

The study uses a quantitative cross-sectional survey design to gauge the bearing of Organizational Citizenship Behaviour (OCB) on EP and the mediating role of leadership style in automobile industries in Pune city. Data was collected from employees across different organizational levels using a structured questionnaire and a five-point Likert scale. A stratified convenience sampling method is adopted, with a sample size of approximately 100 respondents.

OCB, leadership style, and employee performance are measured using standardized scales. Data are gathered through direct and online surveys, ensuring voluntary participation and confidentiality. Analysis was conducted by employing descriptive statistics, reliability and validity tests, correlation, regression, and mediation analysis, with significance tested at the 5% level.

## RESULTS AND DISCUSSION

### Organizational citizenship behaviour and employee performance

**Table 1.** Summary of descriptive statistics.

S. No.	OCB-Performance Statement	Mean	Std. Deviation
1	Helping co-workers improves job performance	3.89	0.94
2	Extra-role behaviour enhances performance	3.82	0.97
3	Positive attitude improves performance	3.71	1.02
4	Discipline and responsibility increase efficiency	3.9	0.91
5	OCB contributes to overall employee performance	3.92	0.93
<b>Overall OCB-Performance Score</b>		<b>3.85</b>	<b>0.95</b>

The mean scores for all five statements range from **3.71 to 3.92**, indicating that respondents generally **agree** that Organizational Citizenship Behaviour positively influences employee performance. The **overall mean score of 3.85** reflects a strong positive perception of the impact of OCB on performance outcomes. The relatively low standard deviation values suggest a reasonable level of consistency in responses among employees.

**Table 2.** Reliability statistics.

Scale	Number of Items	Cronbach's Alpha
OCB → Employee Performance	5	0.88

The Cronbach's alpha (CA) value of **0.88** exceeds the recommended threshold of 0.70, indicating **high reliability** and strong internal consistency among the items measuring the impact of OCB on employee performance.

**Table 3.** KMO and Bartlett's Test.

Test	Value
Kaiser-Meyer-Olkin (KMO) Measure	0.83
Bartlett's Test of Sphericity	$\chi^2 = 338.62$
Degrees of Freedom	10
Significance (p-value)	0

A KMO value of 0.83 refers to adequate sampling adequacy, while the significant Bartlett's Test ( $p < 0.001$ ) illustrates that factor analysis can be applied to the data. The analysis of the data gave a p value of 0.000, which is less than 0.050, consequently implicating a strong positive linkage between OCB and employee performance in the auto industry. These results are in line with previous investigations. Kumari and Thapliyal (2017) reported a strong positive interconnection among core dimensions of OCB and organizational effectiveness; thus, citizenship behaviors played a performance-enhancing role. Likewise, Malik et al. (2012) suggested that fair compensation and organizational justice fortify affective commitment, leading to OCB and, eventually, organizational efficiency. Moreover, Rahim (2021) was cited as illustrating that supportive systems and continuous employee development stimulate proactive behaviours like OCB. In the same manner, Sharma (2013) reiterated the importance of leadership and supportive work environment in enhancing performance, thus strengthening the argument that conditions in the organization promoting OCB do so by positively affecting employee productivity and efficiency.

### Leadership role in relationship between OCB and employee performance

**Table 4.** Summary of descriptive statistics.

S. No.	Statement	Mean	Std. Deviation
1	Leadership motivates employees to help co-workers	3.8	0.96
2	Leadership encourages extra-role behaviour	3.77	0.95
3	Supportive leadership strengthens the OCB-performance relationship	3.68	1.01
4	Effective leadership converts OCB into higher performance	3.79	0.97
5	Leadership transforms voluntary effort into improved job outcomes	3.85	0.92
<b>Mediation Score</b>		<b>3.78</b>	<b>0.96</b>

The mean values for all five statements range between **3.68 and 3.85**, indicating that respondents generally **agree** that leadership style plays a crucial role in translating Organizational Citizenship Behaviour into enhanced employee performance. The overall mean score of **3.78** suggests a **strong positive perception** of leadership as a mediating mechanism. The relatively moderate standard deviation values indicate reasonable consistency in responses across respondents.

**Table 5.** Reliability Statistics.

Scale	No. of Items	Cronbach's Alpha
Leadership Style (Mediator)	5	0.86

The CA value of **0.86** exceeds the recommended threshold of **0.70**, indicating **high internal consistency** and confirming that the items reliably measure the mediating role of leadership style.

**Table 6.** KMO and Bartlett's Test.

Test	Value
Kaiser-Meyer-Olkin (KMO) Measure	0.81
Bartlett's Test of Sphericity	$\chi^2 = 312.45$
Degrees of Freedom	10
Significance (p-value)	0

The KMO value of 0.81 suggests a very good sampling adequacy and at the same time the result of Bartlett's Test marked a very significant level ( $p < 0.001$ ) thus, it was supported that the data is appropriate for factor analysis.

The data analysis results gave a p value of 0.000 which is less than 0.050 and thus, it is confirmed that leadership style plays a critical mediating role in the relationship between OCB and employee performance.

Such results are in agreement with the previous literature pointing to the main role of leadership in the improvement of employee engagement and performance. Shah et al. (2023) highlighted the necessity of effective leadership in maintaining productivity and loyalty in the post-COVID-19 workplace, which is in line with the current results that leadership fosters helping behaviour and contributions beyond the role. Furthermore, Bass (1990) and Alhitmi et al. (2023) highlight the impact of transformational leadership in stimulating employees and converting OCB into better performance under challenging conditions.

The current research findings also provide evidence for Grass et al. (2020), who argued that nurturing and flexible leadership is a prerequisite for employee agility and performance. In addition, the leadership-related difficulties that were detected are in line with the ones described by Ahmad et al. (2021), which emphasize the need for leadership that is stable and inclusive. Consistent with Islam et al. (2014) and Chiaburu and Harrison (2008), the study validates that leadership is the main channel through which OCB leads to better employee performance.

## Recommendations & Implications

### Recommendations

1. To foster a more helping, conscientious, sportsman-like, and engaged staff, recognition programs, peer appreciation, and performance incentives should be introduced.
2. Transformational leadership methods like motivating, intellectual stimulating, and individual consideration should be taught to managers to convert OCB to higher performance successfully.
3. Provide fair pay, open communication, and resource support to reinforce OCB and employee dedication.

### Implications

1. Encouraging OCB not only benefits the individual but also unites the team and increases the overall efficiency of the organization.
2. Leadership is key to the conversion of employees' allowed behaviors into performance, thus the need for leadership development becomes a strategy in realizing the firm's goals.
3. Organizations that nurture strong OCB cultures along with transformational leadership will be able to realize a sustained level of productivity, flexibility, and competitive advantage in dynamic work settings.

### Limitations

Here are the key limitations of study:

1. The results of the study are only valid for the automobile industries of Pune and do not apply to other locations or sectors.
2. The use of a cross-sectional survey design restricts the ability to establish causal relations as it gathers data at just one point in time.
3. The reporting of OCB, leadership patterns, and employee performance may be subjective and consequently influenced by personal biases or interpretations rather than being assessed neutrally.

## CONCLUSION

In summary, the evidence from the research suggests that the OCB variable has a positive and significant relationship with employee performance, and leadership style has a positive and significant mediating effect on this relationship. The research has made it clear that employees with high OCB such as offering assistance to their coworkers, being accountable and having a positive attitude are the ones who get the highest performance ratings. Leadership is the main factor in OCB's influence as it encourages the extra-role behaviors, fosters engagement and turns the voluntary effort into improved job performance.

The innovative aspect of this study is to set up a relationship model with mediation where leadership style is the main factor connecting Organizational Citizenship Behavior to employee performance in the Pune automobile industry, thereby underscoring the dual significance of positive employee behaviors and effective leadership practices as the major contributors to organizational effectiveness.

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