An Exploration of Predictors of Organizational Citizenship Behaviour and its Significant Link to Employee Engagement

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Abstract

Organizational Citizenship Behavior (OCB) is presumed as one of the emerging management concepts that are being emphasized for the organizational effectiveness. This study aims to explore OCB and its significance for the organizations in present scenario particularly banking sector. Key predictors of OCB are identified through comprehensive literature review whereas qualitative research method is employed to explore the association. A model has presented by the researchers elaborating organizational citizenship behavior and its significant relation with job satisfaction and commitment, employee engagement and human resource development climate (HRDC). It is proposed that well established predictors of OCB may lead to promote required behaviors among employees for improved performance and negative voluntary intentions.

Keywords: Organizational Citizenship, Employee Engagement, Satisfaction, Human resource development

1. Introduction

In current years the industry of banking has made a quantum increase into a new and unpredictable environment, categorized by deregulation, product innovation, globalization, expansion in technology and concentrated competition. This modification has shaped the potential for increase. The function of banking segment has increased economic development through financial intermediation is considerable (Sanusi, 2011). The service sector of Gulf States includes insurance, finance and banking zone, which contribute the key portion of the gross domestic product of non-oil sector. This gives more importance to the service sector and particularly the banking and financial area in the economies of Gulf Co-operation Council (GCC) member countries which include Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and United Arab Emirates (UAE). The banking and financial sector has positive effects on the future development of the Gulf region. History of banking sector is relatively young in the region of the Gulf. The leading banks were opened in early 1950s and foundation of the banks was British. After that there was a remarkable growth in number and diversity of financial institutions. In order to develop the rapidly growing market, worldwide banks entered this region and made huge profits in the 1970s by providing financial services.

In the present day professional world is progressing towards high performance, effective organizations and management that grant high degree of job satisfaction to employees.
Organizational Citizenship can play a significant role in attaining these goals. Bateman and Organ (1983) describes, OCB as an efficient role behaviour which is not an element of routine job description of employee, that cannot be calculated through organizational evaluation system and presence of such behaviours cannot be imposed (Organ, 1988). OCB can be described as an extra role and behaviours such as teamwork with employees, approaching to workplace earlier and leaving late, helping other employees, using organizational possessions with care, disseminating positivity in organization (Turnispeed and Rassuli, 2005).

As per Nemeth and Staw (1989), organizational citizenship behaviour can assist organizations to developer performance and increase competitive periphery as it encourages employees to perform beyond the formal job requirement. Organizational citizenship behaviour can assist the organization to be successful in current environment and accelerate novelty and creative approaches for organizations. The idea of Bergeron (2007) is somewhat relevant as far as the existing situation in Saudi banks is concerned. Bergeron suggested that, organisations required identifying the non-availability of sufficient time for employees to devote the both task performance and organizational citizenship behaviour. Most of the organisations are requiring from their employees to work for longer hours (Bond, Galinsky, and Swanberg, 1997; Reich, 2001). In service industry like banks, where clients’ loyalty is most important, OCB is extremely necessary for service delivery.

The implication of quickly growing banking sector is that the right human capital that is knowledgeable, exposed and cosmopolitan is now crucial. This situation led to high level of competition for the tight talent pool. It is also important for the retention of highly skilled and knowledgeable employees through implementing the effective human resource strategies. As a result thereof, the current study intends to examine job satisfaction and organizational commitment, employee engagement and HRDC’s responsibility in encouraging employees’ organizational citizenship behaviour for their increased performance and intention to stay in their organizations (Fig. 1). The study also provides empirical support from literature in the area particularly describing the banking sector.

2. Review of Selected Literature

2.1 Organizational Citizenship Behavior (OCB)

Bateman & Organ (1983) were the first who use the term “Organizational Citizenship Behavior” (OCB) over the two and half decades earlier but its link could be found in the Bernard’s, (1938) Concept of “Willingness to Cooperate”. This was later refined and explained by Katz (1966). Katz described a compact description of in role behavior and extra role behavior with sound difference between them (Podsakoff et al. 2000). Various constructs have been developed to conceptualize the term of OCB since Organs (1988). Construct like prosocial behavior (George 1990) extra role behavior (van Dyne et al. 1995); civic organizational behavior (Graham, 1991) contextual performance behavior (Motowidlo, 1993) as stated by Podsakoff et al. (2000). Therefore there are some differences among these constructs but the logic behind these constructs are same which have been examined and put forward in different implications and labels.

The study of five classification of OCB, have been extensively used by many researchers across the world in diverse perspective and found it a valid tool for measuring OCB. Organ (1988) further tries to define the OCB and highlights five precissetypes of discretionary behaviour and describe how each assists to improve the efficiency of the organizations.

• Altruism (e.g., helping new colleagues and freely giving time to others) is naturally concentrating toward other individuals but add to group efficiency by increasing the performance of individuals.
• Conscientiousness (e.g., efficient use of time and going beyond minimum expectations) increase the efficiency of individual and the group.
• Sportsmanship (e.g., avoids complaining and whining) improves the quantity of time spent on productive activities in the organization.
• Courtesy (e.g., advance notices, reminders, and communicating appropriate information) facilitate avoid problems and facilitates productive use of time.
• Civic Virtue (e.g., serving communities and voluntarily attending functions) endorse the interests of the organization.
Podsakoff, Mackenzie and Bachrach (2000) studied almost more than 200 published articles during 1983 and 1999 and came up with the brief history and consequences of Organizational Citizenship Behavior. Further their focus of research was on four antecedents of OCB: Individual characteristic, task characteristic, organizational characteristic and leadership characteristic. Literature also provides the brief information about consequences of OCB and has positive impact on employees as well as organization (Podsakoff et al., 2000). OCB dimensions such as civic virtue and sportsmanship seems to create positive impacts but negative results has been linked with altruism (Podsakoff and Mackenzie, 1994). The belief among researchers is that as more employees engage in OCB, the organization becomes more successful (Yen and Neihoff, 2004).

Baker (2005) explained that OCB and CWB (Counterproductive Work Behavior) are negatively related with each other, it describe if a person is high on degree of OCB will not show such behavior posing an unpleasant effects on production. Furthermore, study of Cirkta et al. (1999) describe that the age of employee has a negative and significantly effects on OCB. This behavior (i.e. Organizational Citizenship Behavior) might increase coworkers’ and supervisors’ productivity, help synchronize performance, increase consistency in organizational performance, and help organization to attract and retain employees (Borman, 2004).

2.2 Job Satisfaction, Job Commitment and OCB

Different dimensions of job satisfaction have been studied in various contexts throughout different school of thoughts and scholars. Locke (1976) defined job satisfaction as “a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experiences”. Further he describe that job satisfaction is an internal state of mind with some degree of favour and unfavoured response, based on assessing the job related experiences. High level of employee satisfaction is important for the managers who suppose that “an organization has a responsibility to provide employees with jobs that are challenging and intrinsically rewarding” (Robbins, 2001). Although job satisfaction shows an attitude instead of behavior, consequently it is difficult to influence directly to change; management is more concerned about the level of satisfaction of their employees.

In past, job satisfaction and affective organizational commitment was frequently cited on OCB. Affective commitment is defined as strong belief in acceptance of an organization’s goals and a high desire to maintain membership in the organization (Van Dyne et al., 1995). Further, affective commitment sustains behavioral direction when there is modest probability of formal rewards (Allen and Meyer, 1996); it would appear that affective commitment drives those behaviors (i.e. discretionary behaviors) that do not depend primarily on reinforcement or formal rewards. OCB might be empirically associated with organizational commitment (Cohen and Vigoda, 2000), further it is significant to emphasize that OCB refers to a specific class of employee behaviours, while constructs such as “organizational commitment”. Fundamentally attitude based on the commitment is typically measured by seeking responses of the employees, such scale item statements as “i found my values and organizational values are same”.

2.3.1 Employee Engagement

Of late, the term employee engagement has become very popular and widely used by scholars (Robinson et al., 2004). Kahn (1990) described employee engagement as physical, emotional and cognitive participation of employee with his work or in other words employee’s psychologically presence with high motivation in performing their organizational jobs. Employee engagement can be describe as vigour, participation and self-efficacy in performing work which is conflicting to burnout dimensions that are cynicism, exhaustion and inefficacy (Maslachet, 2001).

Commonly it has been defined as emotional and intellectual commitment to the organization (Baumruk, 2004; Richman, 2006; Shaw, 2005) or the amount of discretionary effort exhibited by employees in their jobs (Frank et al., 2004). According to Maslach et al. (2001), engagement is characterized by energy, involvement, and efficacy, the direct opposite of the three burnout dimensions of exhaustion, cynicism, and inefficacy. Investigations on burnout and engagement have found that the essential dimensions of burnout (cynicism and exhaustion) and engagement (vigor and dedication) are opposite of each other (Gonzalez-Roma et al., 2006).

Though there is slight empirical research on the factors that forecast employee engagement, it is possible to recognize a number of possible antecedents conducted from the different studies. The empirical research on the factors that forecast employee engagement; it is possible to classify a number of potential antecedents from the model of Kahn’s (1990) and Maslach et al.’s (2001). They are discussed below:
2.3.1.1 Job Characteristics

Hackman and Oldham (1980) presented the job characteristics model (JCM) with the five key job characteristics which are skill variety, task identity, task significance, autonomy, and feedback. One can achieve the psychological meaningfulness from task characteristics that provide challenging & variety of work, allow the use of different skills, personal discretion, and the opportunity to make significant contributions (Kahn 1990, 1992). Kahn (1992) argued that Jobs with high core job characteristics provide individuals with the room and encouragement to put more effort on their work or to be more engaged. Outcomes predicted by JCM are highly motivated and satisfied behaviours of the employees’ who work more effectively in the presence of moderating variables for instance knowledge, skills, abilities, need for growth and employee satisfaction (Banks, 2006).

2.3.1.2 Rewards and recognition

Kahn (1990) stated that employees’ engagement varies as a function of their perceptions of the benefits they receive from a role performed. A sense of return on investment can come from external rewards and recognition in addition to momentous work. Thus, one might anticipate the higher employee engagement at work to the extent that they perceive a bigger amount of rewards and recognition for their role performance. Maslach et al. (2001) have also proposed that lack of rewards and recognition can lead to burnout, therefore appropriate recognition and reward is important for engagement.

2.3.1.3 Perceived Organizational and Supervisor Support

According to the Organizational Support Theory (Shore and Shore 1995; Eisenberger et al. 1986) in order to determine the organization’s readiness to reward increased work contribution and to congregate socio-emotional needs, employees develop global beliefs concerning the degree to which the organization values their input and well-being. Perceived organizational support (POS) is also valued with the assurance of support availability from the organization when required to carry out job effectively without stress (George et al. 1993). Psychological safety involves a feeling of being able to show and employ the self with no negative consequences (Kahn, 1992). Perceived organizational support (POS) and perceived supervisor support (PSS) are the two probable variables that capture the spirit of social support. According to Saks (2006), a stronger theoretical foundation for explaining employee engagement can be found in social exchange theory (SET). Employees’ with higher POS are more likely to be engaged to their job and organization as part of the reciprocity norm of SET to help the organization achieve its objectives (Rhoades et al. 2001).

2.3.1.4 Distributive and Procedural Justice

Distributive justice deals with decisions taken or the content of fairness, whilst procedural justice is associated to the ways used to take those decisions for instance how decisions are made or the process of fairness. Distributive justice is considered to predict satisfaction with the outcome (i.e., pay satisfaction), while procedural justice influences the assessment of the organization and its authorities (i.e., trust in supervision) (Sweeney and McFarlin 1993; Cropanzano and Folger 1991). Fairness and justice is the work condition identified in the Maslach et al. (2001) engagement model. Saks (2006) stated that employees who have higher perceptions of procedural justice are more likely to respond with higher organization engagement. Hence, employees having higher perception of justice in their organization are expected to feel gratified to be fair in performing their roles through greater levels of engagement.

2.3.2 Employee Engagement and OCB

Employee engagement considered as direct predictor of financial Performance and success of any organization (Baumruk 2004; Harter et al. 2002; Richman 2006). On the other side, it is also fact that currently employee engagement is towards decreasing trend as organizations and workers both tend to be more materialistic (Bates 2004; Richman 2006). There is vast engagement gap can be seen at work places (Bates 2004; Johnson 2004). Employee engagement may leads to organizational citizenship behavior as it focuses on employee involvement and commitment which certainly lies outside the given parameters of any organization. Rukhum (2010) found a positive relationship between employee engagement and Organizational Citizenship Behavior (OCB). The dimensions of OCB are in fact characteristic of employee engagement, but the most strongly co-related OCB dimension with employee engagement is “taking initiatives individually” which refers going an extra-mile (Dicke, 2010).
Nevertheless, literature illustrates several criticisms on this relationship as well. According to (Saks, 2006) OCB deviates from employee engagement with a point of view that OCB involves voluntary behaviors that are beyond the job requirements whereas employee engagement is a formal role of an employee to perform. It is in fact not an element of employees’ job description going for extra role behaviour. Saks’s view was argued by Dicke (2010) that going an extra-mile is a general description of employee engagement which represents a voluntary behavior and defied Saks’s statement that it is “one’s formal role performance”.

2.4.1 Human Resource Development

Human Resource Development (HRD) beyond employee training and development consists of all activities involving training, career and organisation development. It is the deliberate and mindful undertaking of organisation and/or individual intended to enhance the skills, knowledge, ability and other attributes of an employee for effectiveness in current job requirements and predicted future challenges. Harrison and Kessels (2004) define HRD as an organisational process including “the skilful planning and facilitation of a variety of formal and informal learning and knowledge processes and experiences, primarily but not exclusively in the workplace, in order that organisational progress and individual potential can be enhanced through the competence, adaptability, collaboration and knowledge-creating activity of all who work for the organisation”.

Swanson (1995) refers HRD as a process directed to performance improvement by developing and unleashing human expertise through personnel training and development including organisation development. HRD also defined as “a set of systematic and planned activities designed by an organization to provide its members with the opportunities to learn necessary skills to meet current and future job demands” (Werner and DeSimone, 2006). Werner and DeSimone also considered HRD as a function of HRM. Hence, the concept of HRD represents several aspects of development of individuals including their physical, intellectual and emotional facets. In spirit, HRD is similar to develop competence, commitment and culture (Rao, 1990).

2.4.2 Human Resource Development Climate (HRDC) and OCB

HRDC is a element of organisational climate; which has been defined in various ways. Schneider (1990) has been described HRDC as an individual observation about prominent features of the organisational context. According to Denison (1996), characteristic of organisational climate included supportive, cohesiveness, risk taking and motivation to achieve. It comprises the attention by the members of the organisation such as policy, rewards, and management behaviors as well as meaning attached to these features based on individual features including value systems and needs.

A number of researchers conducted studies to identify the influence of the HRDC on the attitudes and behaviours of the employees. Eisenberger, Fasolo and Davis-LaMastro (1990) found that the improved performance and constructive work attitudes shown by those employees who perceived that the Human Resource department is concerned about them. Krishna and Rao (1997) carried forward a detailed empirical study on Organisational and HRDC in BHEL which found that HRDC in the organisation encouraged middle and senior managers to experiment with new methods and try out creative ideas. OCTAPAC Culture represents the degree of Openness, Confrontation, Trust, Autonomy, Pro-action, Authenticity, Collaboration and the degree to which these values are encouraged in the organization. Rainayee (2002) in a research on HRDC in Commercial banks found that the overall level of OCTAPAC values in the banks was perceived at a moderate level.

Payne and Pugh (1976) define an individual needs, satisfaction and goals effects on the perception of climate, whereas climate in turn effects the same satisfaction, goals and behaviour. Researchers also establish that organisational climate forecast positive work attitudes and behaviours. Therefore employees are more satisfied while working in an optimistic work environment and consequently less likely to leave their organizations (Pace, 2002; Aarons and Sawitzky, 2006). Therefore, in the results of above findings it can be argued that HRDC leads to positive and favourable behaviors of individual’s that represent OCB.
3. Conclusion

There is a substantial relation established in literature between organizational citizenship behavior and employee engagement. The more dynamically an employee is engaged in his work there will be greater chances to reveal citizenship behaviour and ultimately effective performance. Relation between employee commitment and OCB found with contradictory views given by researchers. Various studies report a significant relation between two construct (e.g., Meyer and Allen, 1991) and some report as insignificant (Van Dyne and Ang, 1998). Few studies stated that employee commitment play a mediating role (e.g., Tompson and Werner, 1997; Allen and Rush, 1998). The employee engagement concept has gained huge attention as it recommends the desirability and attainability for workplaces to provide positive and energizing environment. Chalofskyand Krishna (2009) argued that for many people who are tensed in their working lives, employee engagement likely that work can be a place of motivation, commitment, and even self-actualization (Maslow, 1970).

Therefore, if organizations escalate the opportunity of a fully engaged workforce and HRD practitioners establish the strategies, measures, and resources to move toward that goal, there is possibility of different results emerging from today’s disengaged workforce. The study of Benjamin (2012) of Nigerian bank further shows that the OCB of employees is related to the HRDC. It revealed banks can reduce turnover and promote citizenship behaviour by ensuring that a favourable developmental climate occurs within their organisations. Numerous researchers found that HR practices are strongly linked with OCB (e.g., Moorman, 1993; Deckop and Cirka, 1999) whereas psychological climate (Biswas, 2010) is the antecedent of organizational citizenship behaviour.

The outcomes of this study require both practitioners and academicians to reconsider their attitudes on the subtle management of intangible assets. The Literature findings presented here may lead analysts to recognize that measuring and strategically managing intellectual capital may become the most significant managerial activity for developing organizational citizenship behaviour and driving organizational performance in return.

4. References


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