

A STUDY TO IMPROVE ORGANIZATIONAL CITIZENSHIP BEHAVIORS IN PRIVATE SECTOR BANKS THROUGH ORGANIZATIONAL EFFECTIVENESS

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Abstract

Organizational citizenship behavior (OCB) is being an important and growing area of research for past two decades. Organizational citizenship behaviors (OCB) describes actions in which employees are willing to go above and beyond their prescribed role requirements. Most of the studies have shown that OCB are positively related to indicators of individual, unit, and organizational performance. This paper focus on clearly defining the relationship between organizational effectiveness and OCB in private sector Banks. This paper will also discuss the implications of the OCB and try to find out how to improve OCB in Banks. Results indicate that positive work climate, organizational performance, employee Engagement; organizational culture and are all related to OCB. This research is important for any banks which want to create competence and organizational effectiveness. To improve Organizational citizenship behavior is lowest cost and best way for banks to reach organizational effectiveness.

Key Words: Organizational Citizenship Behavior (OCB), Organizational Effectiveness, Banks

1. Introduction:

Organizational citizenship behaviors (OCB) are workplace activities that exceed an employee's formal job requirements and contribute to the effective functioning of the organization (Dávila de León, Finkelstein, 2011). Organ (1988) conceptualized OCB into five dimensions, namely, conscientiousness, sportsmanship, courtesy, civic virtue, and altruism. In explanation of these variables conscientiousness is extra-role only in the sense that it involves engaging in task-related behaviors' at a level that is so far beyond minimally required or generally expected levels that it takes on a voluntary flavor. Organ has defined sportsmanship as a willingness to tolerate the inevitable inconveniences and impositions of work without complaining. Courtesy, involves helping others by taking steps to prevent the creation of problems for coworkers. Civic virtue represents a macro-level interest in, or commitment to, the organization as a whole; Altruism defined as helping others with work-related problems (Organ, 1988).

2. Literature Review

[1]MacKenzie, Podsakoff & Ahearn OCB is discretionary behaviors on the part of an employee that directly promotes the effective functioning of an organization, independent of the employee's objective productivity. The present study examined relationships between OCB and organizational effectiveness.

[2]A few studies have shown that OCB are positively related to indicators of individual, unit, and organizational performance (Werner, 1994; Podsakoff & MacKenzie, 1994).

[3] Podsakoff, Ahearn, & MacKenzie, 1997; Walz & Niehoff, 2000;). Like most behaviors, OCB are probably multi-determined. That is, there is no one single cause of OCB. Theoretical frameworks for all other classes of organizational behavior, from job performance to turnover to absenteeism, include multiple sources of causation. It makes sense to apply the same rationale to OCB. Relaxing the "single cause" parameter will keep the search for determinants of OCB from becoming narrow in focus and exclusionary in conceptualization.

3. Factors contributing Organizational Citizenship Behavior

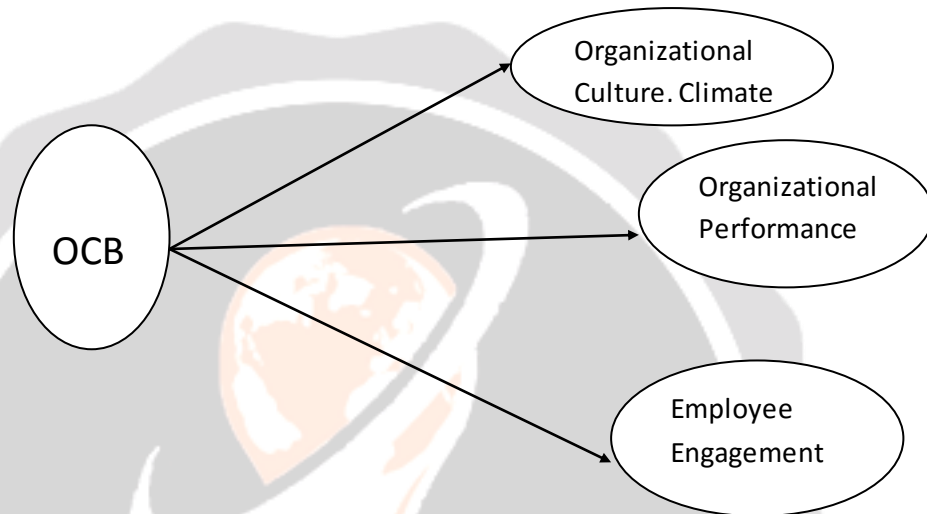


Figure 3.1 Organizational Citizenship Behavior

3.1 Work Climate:

Heath (2006) states, the biggest goal of all the business organization is to increase their productivity, thus decreasing their cost of production and making high profits. Although, there is very less amount of effort, which these organizations make in order to increase their productivity. Many employers have a very wrong view that productivity can be increased by giving their employees good pay package and timely increments for their work. What these employers are not aware of is that there are many other factors, which affects the performance of the employees in an organization. One of the major factors, which have an impact on the motivation level of the employees and their performance, is the work climate. When the employees are satisfied then it leads to good performance and in turn good organizational climate. In order to enhance the performance of the employees, it is very important that the organization should determine what motivates their employees. As according to the requirements of the employees and their performance, the employees should be provided with proper organizational climate.

3.2 Organizational Culture:

Stewart (2007) also stated that an organization's cultural norms strongly affect all who are involved in the organization. Those norms are almost invisible, but if we would like to improve performance and profitability, norms are one of the first places to look. He is wondering what employee beliefs or attitudes; relate to the question, "How are things done in the organization?" He further tries to answer such a question by stating that knowing these attitudes and norms will make it possible to understand the corporate culture and its relationship to organizational performance. He further explains that the successful manager cannot leave the development of a high-performance work culture to chance if the business is not to risk its very future.

Although many studies have found that different companies in different countries tend to emphasize on different objectives, the literature suggests financial profitability and growth to be the most common measures of organizational performance. Wilderom and Berg (1998) argued that instead of striving for strong culture,



Figure 3.2 Organizational Culture

researchers should attempt to reduce the gap between employees’ preferred organizational culture practices and their perception of the organizational practices. Wilderom and Berg (1998) pointed out that the empirical evidence for the impact of the organizational performance using organizational culture practices was still limited, but it formed a fruitful basis for more refined organizational culture-performance research. The use of organizational cultural practice to assess organizational culture was supported by Hofstede (1990); House et al., (2004); Pfeffer (1997), and Wilderom (1998).

3.3 Organizational Performance:

Organizational Performance one of the important questions in business has been why some organizations succeeded while others failed. Organization performance has been the most important issue for every organization be it profit or non-profit one. It has been very important for managers to know which factors influence an organization’s performance in order for them to take appropriate steps to initiate them. However, defining, conceptualizing, and measuring performance have not been an easy task. Researchers among themselves have different opinions and definitions of performance, which remains to be a contentious issue among organizational researchers (Barney, 1997). The central issue concerns with the appropriateness of various approaches to the concept utilization and measurement of organizational performance (Venkatraman & Ramanuam, 1986).



Figure 3.3 Organizational Performance

3.4 Employee Engagement:

Kahn (1990:694) defines employee engagement as “the harnessing of organization members’ selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances”. The cognitive aspect of employee engagement concerns employees’ beliefs about the organisation, its leaders and working conditions. The emotional aspect concerns how employees feel about each of those three factors and whether they have positive or negative attitudes toward the organisation and its leaders. The physical aspect of employee engagement concerns the physical energies exerted by individuals to accomplish their roles. Thus, according to Kahn (1990), engagement means to be psychologically as well as physically present when occupying and performing an organisational role. Most often employee engagement has been defined as emotional and intellectual commitment to the organisation (Baumruk 2004, Richman 2006 and Shaw 2005) or the amount of discretionary effort exhibited by employees in their job (Frank et al 2004). Although it is acknowledged and accepted that employee engagement is a multi-faceted construct, as previously suggested by Kahn (1990), Truss et al (2006) define employee engagement simply as ‘passion for work’, a psychological state which is seen to encompass the three dimensions of engagement discussed by Kahn (1990), and captures the common theme running through all these definitions.

4. Conclusion:

Organizations want and need employees who will do those things that aren’t in any job description and the evidence indicates that those organizations that have such employees outperform those that don’t. As a result, some human subject studies are concerned with organizational citizenship behavior as a dependent variable. Organizational citizenship behaviors have often been conceptualized as inherently a socially desirable class of behaviors. It has been the purpose of this paper to strip away any biases and attributions for social desirability and to examine the behaviors in their strictly observable form. In doing so, a variety of motives can be examined as potential reasons why employees might exhibit OCB. Achievement, affiliation, and power are not new ideas, but the application of these motives to the study of OCB does provide a new lens through which to view OCB. Much research is still needed to validate the ideas expressed in this paper.

As defined by Organ (1988), OCB reflects a “good soldier syndrome” which is so necessary for the prosperity and good functioning of every organization. It means doing a better job, making an effort above and beyond formal requirements, and filling the gap between procedures and regulations on the one hand, and dynamic reality on the other. OCB is usually perceived as exerting exceptionally good behaviors for the sake of the organization and informally supporting its members. To date, and as far as we could find, no study has investigated the meaning and implications of OCB behaviors in the third sector. Obviously, such behaviors are important to private organizations since they affect their competitiveness and profitability. It must be committed to increasing OCB among their paid employees. Thus, OCB represent a powerful element of free-will conduct, most relevant in third-sector organizations, which highlight values of voluntary personal actions especially among paid employees. Consequently it is interesting to examine how OCB is manifested in interpersonal relationships within work units of the non-profit sector. Organizational citizenship is discretionary behavior that is not part of an employee’s formal job requirements, but that nevertheless promotes the effective functioning of the organization. (Robbins,1996). Successful organizations need employees who will do more than their usual job duties and provide performance that is beyond expectations. In short, in order to reach that goal, full employee’s job satisfaction, understand their motivation and create suitable work environments are most important thing in management reality.